

# PROS OUTNUMBER CONSIN OUTSOURCING MULTIPLE CAMPUS SERVICES TO ONE SERVICE PROVIDER

When David Healy joined Jacksonville University as Chief Financial Officer, he had a major goal—to boost the quality of both dining services and facilities management campus-wide. He knew this would elevate students' campus experience, and boost recruitment and retention. To help accomplish this goal for two departments, he transitioned campus dining and facilities services to a new partner: Aramark.



**David Healy** Chief Financial Officer



"We view boosting quality as job one," says Healy. "Our university and Aramark partnered to achieve that goal since day one. We're all focused on increasing quality on our campus—from upgrading our grounds to expanding our dining services' cafes and menus. In this way, we'll greatly improve our students' college experience."

Healy calls this holistic focus from one outsource partner a "shared strategic approach." It is just one of the many benefits institutions can gain by selecting a single provider for multiple services. Other advantages include accelerating opportunities to impact change, seamless integration of services, and streamlined management and communication.

There are often misperceptions about working with a single partner for multiple services—namely having "all your eggs in one basket" or the risk of losing oversight in two areas if anything goes wrong with one. However, the benefits outweigh the disadvantages, as Jacksonville and many other institutions have experienced.

### Holistic Shared Strategic Approach Compounds Benefits

Healy says working with a single source provider can help smooth the transition from self-operated services as well as from one or multiple service providers.

A key to this two-services-with-one-partner approach is that both departments share a consistent culture, vision, and mission—and, therefore, can move in unison across the entire campus. This can have a compounding effect on a campus in many ways, **including:** 

#### **RECRUITING STUDENTS**

A service provider who understands that student experience is the critical key of running a successful university or college will put effort into the services that significantly boost students' campus experience. Research has consistently shown that the two biggest areas of impact are dining services and the condition of the campus grounds. For example, 60 percent of students said having outdoor hangout spaces is important to them, according to Aramark's DiningStyles survey. Also, in a <u>Cleanliness and Learning in Higher</u> Education survey, students ranked cleanliness and maintenance as the two most important elements of a campus's outdoor environment. Further, more than 50 percent of students said universities' dining programs are an important part of their enrollment decision. As a result, a service provider who understands students are happier when they have high-quality dining services (such as healthier menu options) also knows they are happier with better-maintained campus grounds, including places to "hang out" outdoors.

#### **CAMPUS-WIDE SUSTAINABILITY**

Students today have a strong desire to live sustainably. Service providers that are in the forefront of sustainable practices can elevate your campus's committment to the environment. Exceptional sustainability practices such as reducing energy consumption, local purchasing, and waste minimization can be accelerated through a single provider. Additionally, education materials and engagement programs about sustainability can be seamlessly integrated for a more holistic campus experience.

#### SERVICE STAFF SUPPORT

Dining services and facilities maintenance staffs represent two of the largest groups of non-academic staff on college campuses—and are two vital student-facing functions. To ensure they deliver consistent, high-quality customer service requires having a uniform approach to customer service training between the employee groups. Having one partner allows campuses to accelerate customer service improvements and ongoing employee communication programs that impact more than one employee population at a time. In this way, institutions can implement a consistent customer-focused hospitality mentality faster—which will deliver positive changes in students' campus experiences sooner.

#### **ECONOMIES OF SCALE**

A service provider who brings greater cost savings and lower risk to one department will bring those same advantages to other departments. For example, when one partner works in two areas of a campus they can leverage valuable economies of scale, especially in indirect costs such as labor relations and payroll management. Both dining services and facilities management represent some of the largest pools of employee labor on campus. Outsourcing both to a single group greatly reduces the institutional risk of managing these functions.



Like Jacksonville University, many campuses forge relationships with new partners because they want to accelerate change and improve services.

Working with one partner in multiple areas can support and accelerate change while improving service delivery. For example, having only one organization as a point of contact simplifies and speeds up communication as improvements are underway. With the same management partner, improvements in dining services and facilities management can have a dramatic impact on how quickly an institution achieves **these three goals:** 

#### IMPROVING THE CAMPUS EXPERIENCE

Many higher education institutional success stories share a common theme: boosting student recruitment and retention rates. Campuses with manicured grounds, well maintained buildings, and high-quality dining services give students a better college experience. This was a critical area of need at Jacksonville.

"We had to make this place look better," says Healy. "It is, at its core, a beautiful campus. But it was just not being well maintained. Interestingly, my office has one of the best views of the campus over the central quad. We held our winter commencement there. A year and a half ago, it would not have been ideal. We have come a remarkably long way. Students and their parents are noticing the improvements and greatly appreciate them."

Also, Healy notes great improvements in Jacksonville University's dining services since Aramark took over. "The quality is going up. The choices have expanded. We had a real surge in terms of the improvements. Dining services, which is always an important part of the higher education experience for students, is dramatically improved."



#### **ELEVATING THE CAMPUS SUSTAINABILITY COMMITMENT**

A Princeton Review survey found 60 percent of respondents would choose a college at least partially based on the campus's commitment to sustainability. When a service partner has the opportunity to explore sustainability programs campus-wide, there is a much greater opportunity to maximize results—from stocking green cleaning supplies to recycling to energy-saving programs. Achieving sustainability in dining and facilities management from one outsource partner gives campuses the opportunity to gain several high-value advantages, including efficiencies from having a cohesive campus-wide sustainability philosophy, cost-savings from purchasing in bulk and minimizing packaging, and the opportunity to engage the whole campus in reducing energy.

Jacksonville University is taking advantage of Aramark's expertise in sustainability in several ways, says Healy. "In custodial, they're very good about choosing Earth-friendly chemicals. We've been expanding in recycling. We use electric golf carts rather than pickup trucks. Now we're working on making our sustainability efforts more highprofile to ensure our students are aware of our sustainability program."

#### **DELIVERING COST OPTIMIZATION**

Both dining services and facilities management departments on higher education campuses typically waste funds and miss opportunities to boost income in many ways. This puts campuses at financial risk. Outsource professionals are not only highly skilled in their specific areas of expertise, but also in achieving cost optimization across the board. Opportunities exist to reduce cost in expenses, purchasing, energy procurement and consumption, and in productivity—if you know where to look. It requires specialized expertise to recognize where these cost-optimization opportunities exist and how to release their value. A partner with expertise in these areas is best positioned to improve services and release savings through its innovative technology, employee engagement, purchasing leverage, and operational programs.





### **Greater Synergy and Seamless Integration**

No matter the previous setup, switching to two or more service providers could lead to a proverbial human resources nightmare for any higher education institution. Jacksonville University gained synergistic collaboration by working with one partner.

"I think there's certainly a better spirit of cooperation between our two divisions," states Healy. "What you hope you get is coordination between the two. They are one company. From that coordination we gained some synergy."

By partnering with only one company, Jacksonville also gained several seamless integration advantages, including:



#### **SPEED**

"We needed positive change to happen on our campus quickly," notes Healy. "Having one high-quality service provider delivered faster cultural alignment, because we only had to educate one entity about our goals, budgets and processes."



#### **EFFICIENCY**

In the early stages of partnering with one outsource provider, campuses cut out wasted integration time and resources, thereby, gaining greater efficiencies. These efficiencies supported a smooth and cost-effective short-term transition, as well as long-term operational efficiency within campus departments.



#### COST SAVINGS

Quality outsource partners should have strong relationships with product suppliers required to run their departments. A skilled partner can bring volume discounts by leveraging their purchasing power for such items as cleaning and paper supplies. Healy notes that his campus also has saved on administrative costs. "We don't have duplicate billing systems for different companies and so forth."





#### CAPITAL INVESTMENT

Universities often find that partnering with the right service provider can infuse capital for significant campus improvements, while increasing cash flow for future developments. Typically, the greater the commitment by the institution, the greater the potential investment the partner makes in the campus. This impact on campus improvement can be greatly accelerated by awarding multiple services to a single provider.

Aramark brought a cash infusion to the Jacksonville campus. "There are certainly financial incentives to partnering with one company in two areas," noted Healy.

"The deferred maintenance around here was neglected. We've already made improvements and have more to do to clean up 20 years of reduced care of the campus. The opportunity for financial support and investments was significant."

"We were operating with a pretty outdated collection of tractors and mowers and so forth. Now, Aramark came in and corrected that," Healy says.

Healy states that the capital infusion has also made a huge difference in dining services. "We were able to make major improvements in our dining operations, including a whole new kitchen. Obviously, new ovens and stoves brought new levels of efficiency. If you don't give your staff the right tools, they can't do their jobs effectively. We were also able to invest in a Starbucks, which made many of our students very happy."

A campus survey revealed that students have noticed and appreciated the campus's dining improvements. Some of their feedback when asked, "What are the positive changes in dining services over the past year?" includes these comments:

- "One positive improvement was the addition of Starbucks. The atmosphere is great and it was really well done!"
- "Better variety at the cafe and Chick-fil-A is way faster and friendlier!"
- "The food quality has gotten better and the staff is very friendly."

- "Having the Riverhouse as a nearby option for apartment residents and increasing the quality of food in the Riverview Cafe."
- Greater number of dining locations and quality of food has improved.



## **Experience the Many Benefits**of 2-for-1 Service Provider Partnering

To gain all of the advantages, consider partnering with one service provider for more than one service. By bundling your dining and facilities, you'll gain the best of both worlds in both departments—including greater synergy, accelerated improvements and higher cost optimization. This will directly impact two of your most important criteria for operating a successful campus long-term—student experience and recruitment.

The <u>benefits</u> of bundling services are well documented. Kate Vitasek, faculty member of the University of Tennessee's Haslam College of Business Administration has studied different outsourcing models. "Outsourcing generates transformational results—when you do it right." Bundling facilitates such transformation.

With Aramark providing services for both facilities management and dining services, Jacksonville University achieved its primary goal: higher quality campus-wide. Other significant advantages include lower deferred maintenance, improved campus sustainability, greater staff job satisfaction, cost savings and higher student satisfaction—all bolstered by a greater capital investment thanks to partnering with one company for two areas of service.



To find out how Aramark can provide multiple services to your higher education institution and help improve quality across campus, contact Aramark today.

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