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How the University of Helsinki Turned a Funding Crisis Into Lasting Administrative Efficiency

The University of Helsinki's Service Redesign



Institutional Profile: University of Helsinki

Helsinki, FI

Public Research

814M OPEX

31K Students

8.8K Staff



Helsinki Funding Cuts Prompt Shared Services Transition

Timeline: from 2015 to present day

Approach: Rapid transition to a shared services organisation followed by continuous improvement

Goals:

- Reduce administrative costs
- Improve service efficiency and satisfaction rates

Methodology: Shared services transition, iterative process improvement, and digitisation

Campus Conditions Preceding Transformation

Cultural Receptiveness to Change

- 15% (€106 million) cut to University budget in 2015 left little doubt that operations must change
- Four campuses, four cultures, four orgs

Organisational Effectiveness

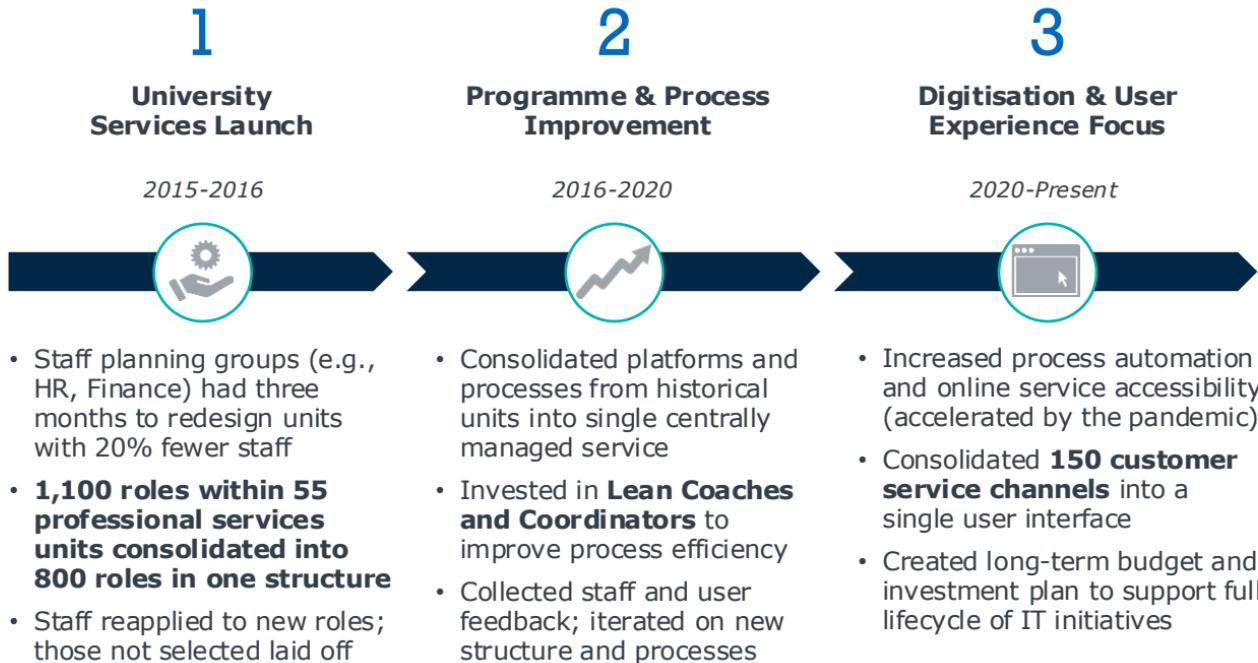
- Staff dissatisfied with career pathing opportunities and flexibility to move between units
- Roles spanned multiple functions, few specialists

History of Transformation Initiatives

- Started pursuing cost-containment initiatives once independent legal status achieved in 2010
- Academic unit consolidation underway since 1991

From Rapid Launch to Sustained Impact

Helsinki's Three-Stage Process To Transform Professional Services



A Closer Look at University Services

Key Attributes of Helsinki's Model

Specialists, not Generalists

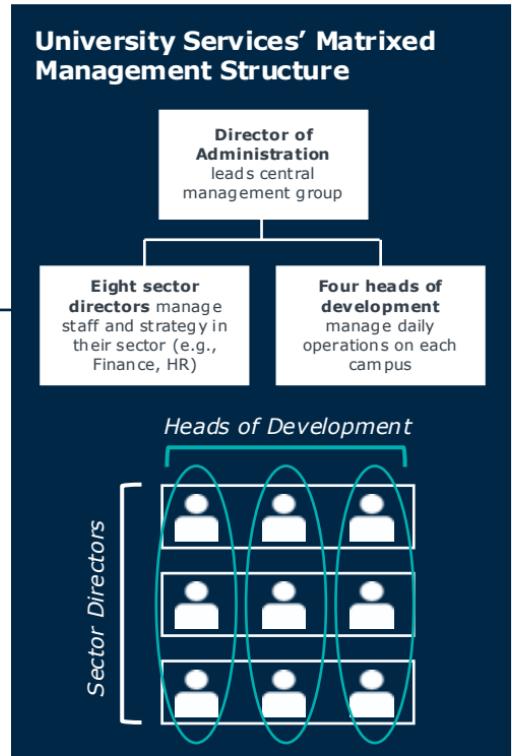
- Previously, employees split time across multiple service areas; now, employees are specialists in a specific terrain
- Many staff roles filled externally to ensure qualified candidates

Centrally Governed, Physically Decentralised

- Campus and service leaders reside in central management group
- Staff physically distributed across four campuses and one institute to retain unit presence

Channel for Top-Down Process Improvement

- Centralised governance paved way for Director of Administration to implement:
 - Employee upskilling
 - Lean process development
 - Technology platform consolidation



Keeping the Faith

How Helsinki Maintained Progress and Morale Despite Drastic Change

UNWAVERING LEADERSHIP MANDATE



- Cabinet and Board made it clear that **University Services was non-negotiable**
- Leadership pushed rapid transition to shared services in two months

SUPPORT AND TRAINING FOR MID-LEVEL SUPERVISORS



- Supervisors **trained on how to have redundancy conversations** with staff
- During shared services transition, leadership hosted regular three-hour meetings for supervisors to voice concerns
- Process improvements delayed until after headcount reduction to reduce workload

CONTINUOUS STAFF ENGAGEMENT AND FEEDBACK



- Head of Admin hosts **annual one-on-ones with deans to solicit feedback**
- Twice a year, Head of Administration reports on University Services' progress to deans and directorate heads
- Supervisors encouraged to solicit employee feedback daily and adjust workflows as needed
- Regular feedback and employee wellbeing surveys

Results of Transformation Efforts

Shared Services Transition Improves Satisfaction and Financial Sustainability

Organisational Structure

27%

Reduction in administrative staff
(1,100 to 800)

55

Independent administrative units brought into singular University Services

Staff and Customer Satisfaction

19%

Improvement in customer satisfaction
between 2017 and 2023

5%

Increase in employee satisfaction after process improvements

Financial Sustainability

€1M

Budget surplus in 2024 despite 18% reduction in federal funding¹ since 2015

€47M

Of initial €50M cut absorbed in first year of University Services

1) Adjusted for inflation.

Discussion



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For Additional Resources



<https://eab.com/resources/tool/helsinki-funding-crisis-presentation/>

- Slides from today's session
- Organizational Transformation Case Studies:
 - University of Helsinki
 - University of Auckland
 - Keele University
- Organizational Transformation Resource Center
- Shared Services Primer
- Process Improvement Primer
- Upcoming EAB events for Canadians
 - Virtual Roundtable: International Enrolment in Flux and What It Means for Canada (February 19, 2:00 PM – 3:00 PM ET)
 - 2026 Canadian Executive Leadership Roundtable at York University (July 8-9)

Feel free to contact me directly at dattis@eab.com



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Additional Slides

5 Lessons from Successful Organizational Transformation Initiatives



Lesson 1: Establish an Urgent and Consistent Transformation Mandate



Three Reasons Leadership-Backed Mandates Promote Success



Set a Direction

Provides clear signal of **priority** the transformation should take amidst initiative proliferation



Weather Discontent and Resistance

Offers cover and endorsement to implementation teams in the face of pushback



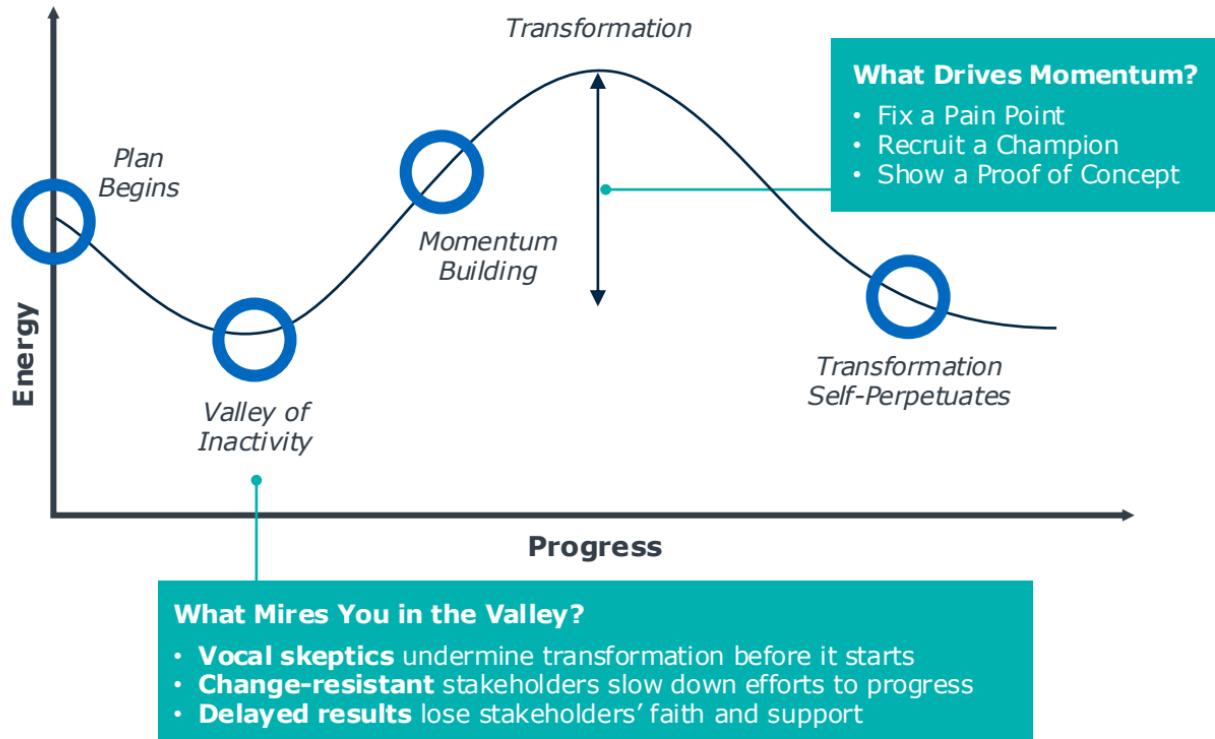
Anticipate Leadership Turnover

Creates persistent senior leadership support that supersedes departure of any individual person

Lesson 2: Leverage Momentum to Propel Projects Past Stall Points



Borrowing From Chemistry: Momentum, Energy Needed to Spark a Reaction



Lesson 3: Maintain Strategic Ownership of the Transformation



Solicit Input, Encourage Agency – But Beware the Paradox of Participation

Levels of Involvement



Ownership

Full control over a fundamental aspect of change



Agency

Authority to determine how a narrow component of change impacts them



Input

Valued voice in considering changes

Examples

- Design new process
- Establish responsibilities and reporting lines for business partner (BP)
- Determine what percentage of small classes to consolidate

Danger Zone?

- Collaborate to draft proposed new process
- Interview and hire BP within hiring criteria
- Create criteria to identify small classes to merge

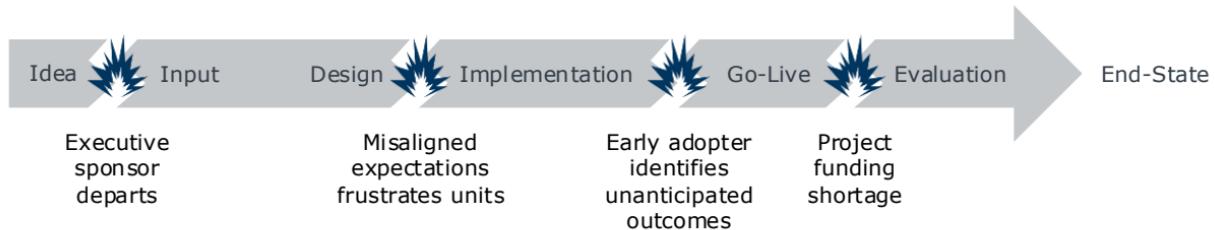
- Provide feedback on broken process
- Make recommendations for BP hiring criteria
- Suggest small classes to combine

Lesson 4: Encourage Principled Ambiguity via Iterative Transformation



What to Do for a Sector that Plans to Plan

Realistic Transformation Plan



Iterative Transformation Plan to Absorb Inevitable 'Shocks'



Lesson 5: Match Transformation Messaging to Audience



Breakdowns in Communication Across Transformation Project Timeline Stem from Both Too Little and Too Much Information



Failure to Launch

Academic units not consulted in shared services migration design. Despite quality improvement, staff opposition forces reversal.



Cart Before the Horse

Details of transition to central travel portal shared with units before implementation finalised. Confusion forces dedicated team to provide 1:1 support.



Overcommunication

Exhaustive information provided to all stakeholders during restructuring. Staff misconceptions over changes not relevant to their units leads to upheaval.

Not Everything Is Worth Sharing

“People only want transparency when they’re going to hear something that makes them happy.”

Chief Operating Officer

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