

# Centralizing Administrative Functions, with Lessons Learned from Guam

Centralizing administrative functions, such as procurement or grants management, is a strategy many organizations utilize. Having administrative functions concentrated with a specific team rather than dispersed or managed within separate teams can work well. There is potential for standardized processes and procedures, increased efficiency and quality, more control and accountability, and consistent data collection and monitoring.

This brief details how health departments can utilize existing, evidence-based frameworks to centralize administrative functions and build off lessons learned from others, such as the Guam Department of Public Health and Social Services (Guam DPHSS).

## Getting Started

### Considerations

When transitioning from a decentralized structure to a centralized structure, it is important to clearly outline the what, why, how, and benefits. Consider the following components to kickstart success:

- **Leadership vision:** Start with the leader's visionary perspective. When the leader allocates sufficient time and consistently reinforces the vision, it allows for the necessary decisions, trust, and support to be established during the transition.
- **Data-driven design:** Use data and existing information, such as current standard operating procedures or process diagrams, to understand the decentralized process

differences/similarities, and guide effective centralized processes and procedures.

- **Role clarity:** Clearly outline and define the new centralized infrastructure, purpose, roles, responsibilities, expectations, and procedures. This helps everyone understand and follow the new processes more consistently, with better results.
- **Performance measures:** Establish and use performance measures from the outset (e.g., team knowledge, skills, competency, process time and quality, outcomes, impact, etc.), for insight into the value, or return on investment, of the centralized model. This will help indicate the quantity, quality, and impact of programs/processes.
- **Documentation:** Capture and share decisions, vision, goals, structure, standard operating procedures, and relevant details in writing for new team members and users of the centralized functions.
- **Communication:** Transparently share plans, timelines, and additional knowledge to maximize utilization and value. Additionally, anticipate and proactively address resistance to change to help everyone embrace and adhere to the new, centralized approach.

### The Plan-Do-Study-Act Method

[Change management](#), [quality planning](#), and [process improvement](#) models can also support organizational and process change. For example, the quality improvement methodology, [Plan-Do-Study-Act](#) (PDSA), offers an effective framework for centralizing administrative functions and complements many of the aforementioned considerations:

1. Step one, **plan**, relies on leaders to decide the vision, scope, structure, roles/responsibilities, goals, and purpose of the centralized team. Here leaders establish and reinforce the leadership vision, using existing data to guide the design of the new centralized team.

2. Step two, **do**, is dedicated to onboarding centralized team members, defining their work processes and procedures, and ensuring effective communication with all stakeholders. This requires thorough documentation and strong communications plans.
3. Step three, **study**—an often overlooked but crucial building step—is for testing the processes, procedures, roles, and responsibilities, to confirm and build confidence that this centralized structure will yield the desired results. Performance measures provide clarity into what is working well and what is not.
4. Step four, **act**, is for launching and rolling out the structure, ongoing monitoring of performance, and continuing to educate and coach for successful, sustainable improvements.

## Lessons Learned from Guam

Guam DPHSS, a joint health and social services agency, is working to centralize its administrative functions to reduce inefficiencies and redundancies as well as improve quality and consistency. This has been a big change for Guam DPHSS, but leadership vision, documentation, role clarity, and communication have proven to be key throughout the process.

In 2021, Guam DPHSS established a centralized Office of Grants Management (OGM). In its early stages, programmatic teams saw OGM as a regulatory body that would audit and direct their work, while OGM's true objective was to provide support and ease administrative burden, allowing program staff to focus on accomplishing their goals and deliverables. By clarifying and documenting the vision, roles, and responsibilities as well as focusing on communication, the OGM built trust, addressed specific concerns, and established a shared vision of their role as supportive and helpful.

In 2023, Guam DPHSS began the process of establishing a centralized Procurement Management Office (PMO). While Guam DPHSS

reorganized and co-located staff into the new, centralized PMO, Guam was undergoing a governmentwide business process improvement (BPI) project focused on procurement—presenting an opportunity for Guam DPHSS to involve new PMO staff and other key DPHSS team members in improving its functions and centralizing the procurement process. Through the BPI project, which utilized PDSA, DPHSS clarified roles and responsibilities, defined work processes and procedures, and developed training and communications plans that supported process improvement and centralization of procurement functions.

Guam DPHSS has learned many lessons throughout their journey to create a centralized OGM and PMO, including that change of this magnitude is hard—more specifically, balancing change management while ensuring maintenance of key operations. Ultimately, they found that the aforementioned considerations and methods for getting started were critical in supporting the change to centralized administrative functions.

## Establishing the Ideal Structure for Administrative Functions

Determining if and how centralized administrative functions will work for an organization is multifaceted. An organization's culture, size, infrastructure (including technology and systems), and workforce and skills all play crucial roles in shaping the ideal structure. The methods and considerations noted previously can help health departments determine and support the best path forward for each unique organization.

ASTHO has several additional resources and tools that can support administrative change and improvement. Visit the [ASTHO STAR Center](#) to learn more.

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