



Inside SFA

How YOU Help Put America Through School

QUESTIONS FROM ALL HANDS...

At the All Hands meeting on April 4, Greg talked about SFA's three operating goals — increasing customer satisfaction, increasing employee satisfaction and reducing unit cost — and about our outstanding performance on the first two goals. He said more attention needs to be paid now to the third goal — reducing unit cost — and talked about how we all need to work together to bring the unit cost down. Since the meeting, we've been hearing some questions and, to help facilitate dialogue, we thought we'd share some questions and answers with you.

Q: What exactly is a unit cost?

A: It is the average amount we spend on each student who gets aid. We calculate the number by dividing the year's total budget by the total number of people who get aid or still have unpaid loans during that year.

Q: Greg said that our costs are rising, but our budget is staying the same, and we have to start cutting unit cost. How can we do this and continue to invest in our modernization?

A: Our budget already includes money for modernizing our technologies, so lowering our unit cost will not threaten our continuing modernization efforts. On the contrary, *not* cutting unit cost will threaten modernization. Our goal is to cut unit cost enough to offset both increased workload and modernization.

Q: How can staff control costs when management controls the funds?

A: No one knows SFA better than each of you, so here are three simple things everyone at SFA can do to help lower unit costs:

- 1) Have your whole team look at the total process,
- 2) Look at what you're making other people do and see if it makes sense, and
- 3) Use common sense. If something doesn't seem right it probably isn't (are checkers checking on checkers?).

If you have a better way to run something or see a problem, sing out about it and keep singing until someone hears you.

Q: I heard we may get bonuses again this year. Is this true?

A: Last year's bonus wasn't just a one time deal. SFA is eligible for a bonus every year. The annual Performance Excellence Awards Program rewards eligible SFA staff with a cash award, based on how well we've performed against our goals of improving customer service, reducing unit cost and increasing employee satisfaction. As Greg said, we're doing really well in customer and employee satisfaction, and we all need to focus our efforts on lowering our unit cost. We *can* do this.

Q: I couldn't read the chart that was handed out. Where can I get a copy?

A: You can find a copy of the chart on SFANet at http://4.20.17.164/sfa_communications/presentation/aidprocess.ppt, as well as an outline of Greg's remarks and the PowerPoint slides.

If you have any other questions, email SFA Communications.