

SCFP SUBCOMMITTEE ON TWIN CITIES FACILITIES AND SUPPORT
SERVICES (STCFSS)
MINUTES OF MEETING
OCTOBER 20, 2009

[In these minutes: Facilities Management Strategy and Operations Management Process,
Ex-Officio Seat on Senate Committee for Finance and Planning]

[These minutes reflect discussion and debate at a meeting of a committee of the
University of Minnesota Senate; none of the comments, conclusions or actions reported
in these minutes represent the views of, nor are they binding on, the Senate, the
Administration or the Board of Regents.]

PRESENT: Lyndel King, chair, Keith Carlson, Joe Jameson, Michael Berthelsen,
Bernadette Corley Troge, Denny Olsen, Laurie Scheich, Jeremy Todd, Andrea Backes,
Gregory Cibuzar, Anthony DeAngelis

REGRETS: Anne Falken, Lorelee Wederstrom, George Wilcox

ABSENT: Gary A. Davis, Justin Dahl

GUEST: Bill Paulus, director, Information and Process Management – Facilities
Management

I). Lyndel King convened the meeting, welcomed those present and called for
introductions.

II). Ms. King welcomed today's guest, Bill Paulus, director, Information and Process
Management, who was invited to provide a Facilities Management (hereafter FM)
strategy map and metrics presentation. Before launching into Mr. Paulus' presentation,
Mike Berthelsen, Facilities Management associate vice president, provided the committee
with some opening remarks.

Mr. Paulus began by distributing a PowerPoint presentation detailing FM's strategy and
operations management process. As background information, Mr. Paulus noted that FM
has approximately 1,000 employees who operate and maintain 23 million square feet of
space in over 250 buildings, and care for over 900 acres of land.

The FM Transformation Project was launched a few years ago in response to a challenge
from President Bruininks to have the University become one of the top three public
research universities in the world. In order to achieve this rank, all units, including
operations and support units, need to excel. As a result, FM is working to become more
customer-focused, cost effective, transparent and accountable to its customers.

Mr. Paulus noted that Information and Process Management is a division of FM that
provides the first point of contact to customers for facility-related issues and supports

internal FM departments through central planning, business application support, process improvement and strategy implementation. It uses a variety of tools such as strategy maps and the Kaplan and Norton Balanced Scorecard to meet its Transformation Project objectives. He turned members' attention to the University Services strategy map and the FM strategy map to illustrate how the various strategy components link together. Strategy maps and the Balanced Scorecard serve to bridge the strategy implementation gap by linking leadership at the top to management of initiatives, process improvements and employees' everyday actions.

The core purpose of University Services is to make the University work. University Services creates and sustains a physical environment and service culture that advances and supports teaching, research and outreach at the University of Minnesota. Excellence, integrity, accountability and stewardship are University Services core values. Members' attention was then turned to the strategy map for University Services, which Mr. Paulus walked members through.

Moving on, Mr. Paulus highlighted other tools and initiatives that University Services has implemented to meet and quantify its objectives, e.g., quarterly strategy reviews, Sightline survey data (benchmarks the University's performance against that of other institutions across the country), strategy and operational scorecards, and monthly operating reviews, etc. For more information about the Information and Process Management team and what they do, Mr. Paulus encouraged members to visit the website at <http://facm.oit.umn.edu/about/ipm/index.htm>. He added that monthly scorecard data is also available online at <http://facm.oit.umn.edu/news/scorecard/index.htm>.

Next, Mr. Paulus took a few minutes to share a specific example of a project in which a strategy was used to balance asset maintenance, service levels and budget requirements in order to achieve recurring cost savings.

In closing, Mr. Paulus highlighted lessons learned, observations and recommendations coming out of the Information and Process Management approach:

- Leadership support at the right level is critical.
- Start simple and improve over time.
- Commit to a regular schedule to review performance.
- Allow risk taking by individuals to encourage new approaches to improve.
- Allow for a degree of personal accountability (individual performance reviews) in order to drive and sustain improvements.
- Stay committed – start simple and then build on the success and sustain the effort.

Ms. King then opened up the floor for questions, which included but were not limited to:

- Is it a struggle to get employees to collect performance data against which their performance will be measured? Mr. Paulus stated that employees have been really supportive of this process. He personally is unaware of anyone trying to game the system or manipulate the data that is collected in order to influence how their performance will be evaluated. To be clear, added Mr. Berthelsen, most of

the data that is collected is done so automatically, and then simply populated into reports.

- Is it possible to track whether a closed work order has been reopened because the same problem has redeveloped? Mr. Berthelsen stated that one of the problems in being able to do this has to do with the lack of continuity in how work orders are written. Steps need to be taken to streamline the work order writing process in order to get at this data.
- A lot of the processes that FM has developed have been adopted from business. With that said, a major driver in business is competition, but this is not the case at the University. How does FM compensate for this type of lack of motivation, which is really at the heart of the processes that FM is instituting? Mr. Berthelsen stated that FM uses personable accountability to make up for the loss of competition. No one likes to look bad. In addition, if employees are not doing a good job, management needs to hold them accountable. FM also uses the benchmark information it receives for motivation purposes.
- Does FM use the standard Teamster view forms when conducting individual performance reviews? Mr. Paulus noted that new performance review forms are being created that will better align with the type of performance being evaluated. Mr. Berthelsen stated that the old Teamster review forms only address behavior-type activities rather than looking how a person does their job. Human Resources is working on developing a new review form for FM.

Ms. King thanked Mr. Paulus for his presentation.

III). Ms. King noted that according to Senate Bylaws, two members of STCFSS serve as ex-officio members of the parent committee, Senate Committee on Finance and Planning (SCFP). Ms. King, as chair of STCFSS, fills one of these seats, but there remains a second vacancy. Jeremy Todd, stated Ms. King, has expressed an interest in filling this seat. She asked if other members were interested in filling this seat. Hearing none, the committee endorsed the appointment of Jeremy Todd as an ex-officio member on SCFP.

Ms. King stated that if members are interested in filling this seat in the future that they should let her or Renee Dempsey, Senate staff, know they are interested.

IV). Ms. King stated that SCFP has asked STCFSS to look at the University's Building Code Division, and look at, for example, the cost associated with having its own code office, whether peer institutions have a similar arrangement, effectiveness and efficiency. Ms. King asked Mr. Berthelsen who would be the best person to invite to learn more about this office. Mr. Berthelsen volunteered to talk to Vice President Kathleen O'Brien about this request and get back to her.

V). Hearing no further business, Ms. King adjourned the meeting.

Renee Dempsey
University Senate

