

SCFP SUBCOMMITTEE ON TWIN CITIES FACILITIES AND SUPPORT
SERVICES (STCFSS)
MINUTES OF MEETING
NOVEMBER 15, 2005

[In these minutes: Strategic Positioning, WBOB flood]

[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: Calvin Alexander, chair, Elizabeth Anderson, Steve Fitzgerald, Gordon Girtz, Gary Jahn, Lyndel King, Howard Towle, George Wilcox, Rochell Heiden

REGRETS: Carrie Meyer, Peggy Johnson, Denny Olsen, Laurie Scheich, Steve Spohn, Lorelee Wederstrom, Gary A. Davis, Brian Horgan, Patrice Morrow, Jennifer Hannaford

GUESTS: Meredith Fox, coordinator, Office of Service and Continuous Improvement, Bill Chose, director, Office of Maintenance and Operations, Facilities Management

I). Professor Alexander called the meeting to order.

II). Members unanimously approved the October 18, 2005 minutes.

III). Professor Alexander thanked Professor Jahn for chairing the October 18, 2005 STCFSS meeting.

IV). Professor Alexander welcomed Meredith Fox who was invited to today's meeting to provide members with an overview of the administrative side of strategic positioning. Ms. Fox works in the Office of Service and Continuous Improvement as its community relations coordinator, and currently spends half of her time staffing the Administrative Service and Productivity Steering Committee and Task Forces.

A handout outlining the administrative strategic positioning process was distributed and members were asked to follow along as Ms. Fox highlighted the following:

- The book, *Leading Change*, by John P. Kotter has been guiding the overall strategic positioning process. Copies of this book were distributed to all task force members at the strategic positioning kick-off/retreat in September.
- The vision for the administrative side of strategic positioning is for the University to be known as much for service and business innovation as it is for high quality research, education and outreach.
- The Administrative Strategic Planning Task Force began by deciding how best to accomplish its vision using the following four strategies:
 - Drafting guiding principles.
 - Developing seven recommendations.

- Creating a vision for the future of administrative operations.
 - Developing an implementation structure for getting the work done.
- Today, the administrative side of strategic positioning is in a planning phase as it attempts to operationalize its strategies. Detailed implementation work plans are being drafted by each of the seven administrative task forces. On an on-going basis, each task force will oversee and promote its portfolio of projects.
- Administrative Strategic Positioning Task Force guiding principles include:
 - Work toward optimal alignment of administrative services with the academic mission.
 - Demonstrate openness to reviewing all and any administrative process, structure, and policy.
 - Recommend administrative initiatives that can be implemented within target timeframes.
 - Identify structures and processes that can remove barriers, eliminate duplication and reduce regulation.
 - Assume that any recommendations for new structures, processes and standards will be University-wide and participation will be required, with minimal opt-out and only for specific reasons, agreed upon in advance.
 - Emphasize the need for decision-making that is driven by reliable information rather than past practice or anecdote.
 - Understand the impact of change on individuals and units and plan appropriately.
- Seven major administrative recommendations were put forward in a report to the President on March 30, 2005. Each of these recommendations have become action areas and all have a task force assigned. Listed below are the seven task forces, which are systemwide in scope. (* denotes task forces that have foundational work assigned. Foundational work is major transformation work that needs to be done before other work can happen.)
 - Single Enterprise*
 - Culture*
 - Administrative Structure*
 - Best Practice Management Tools*
 - Services
 - People
 - Optimize Resources
- The Administrative Strategic Positioning Task Force is governed by a steering committee, under which there are seven task forces (referenced above). Vice President Kathleen O'Brien is the team leader for the steering committee. The role of the steering committee is to ensure alignment and collaboration, prioritize and sequence projects, leverage resources and support the success of the administrative change effort, etc.
- Background information on the strategic positioning initiative can be found on the following URLs:
 - http://www1.umn.edu/systemwide/strategic_positioning/recommendations.html - *Administrative Strategic Planning Report to the President* (March 2005) & *Next Steps Report to the President* (May 2, 2005)

- http://www1.umn.edu/systemwide/strategic_positioning/charge_ltr/tf_admin_charge.pdf - Task force charge letters
- http://www1.umn.edu/systemwide/strategic_positioning/implementation_tasksforces.html - Task force membership lists
- Strategic positioning milestones:
 - September 2005 – Task force kick-off/retreat
 - October 15, 2005 – Draft foundational work plans and early success lists due to Steering Committee
 - October 25, 2005 Draft task force communication/consultation plans do to Steering Committee
 - December 9, 2005 Administrative Steering Committee update to Board of Regents
 - January 1, 2006 – Draft implementation work plans and measures of success due to Steering Committee
 - January – February 2006 – Public comment period on implementation work plans
 - March 2006 – Project implementation
- Mechanisms for providing feedback to the various task forces:
 - Complete feedback forms on the Strategic Positioning website: <https://www.myu.umn.edu/metadot/index.pl?id=546389>
 - Public comment period
 - Other opportunities as decided by the individual task forces e.g. focus groups, town hall meetings, etc.

Ms. Fox concluded her presentation and solicited members' questions and comments:

- Please explain how the recommendation to organize and structure administrative support to take advantage of all the University's resources squares with the recommendation to see the University as a single enterprise. Ms. Fox stated that administrative structuring will impact how services are organized and located as opposed to the single enterprise efforts, which are focused on how services will be delivered. Certainly, the Administrative Structure Task Force will uncover instances where a single enterprise approach does not make sense. The goal is to balance services and efficiencies.
- What type of administrative functions are being examined by the Administrative Structure Task Force? Ms. Fox stated that this task force is working with the administrative leaders from each of the major administrative departments (e.g. Human Resources, Information Technology, etc.) to test models that has been developed for their effectiveness.
- Will an entity outside the University review whether or not the University is following the guidelines outlined in *Leading Change* by John Kotter? Ms. Fox stated that the team leaders meet on a regular basis to ensure that the University is doing what it should be doing during this process. Additionally, the Office of Service and Continuous Improvement has an advisory committee that is helping to shape the direction of the University's strategic positioning efforts. This

advisory committee is comprised of members for both inside and outside the University.

- An observation was made that some state agencies are trapped in a continual reorganization mode. What kind of assurance, if any, can be given that the University will not find itself in a similar situation? Speaking on behalf of the administrative side of strategic positioning, Ms. Fox noted that efforts are being focused on implementation of the recommended changes, with an emphasis on early wins as a means to create momentum. The goal of the administrative task forces is to make the University as efficient and service oriented as possible in order to best serve the academic enterprise. To accomplish this objective an "integrated, cross-functional, nimble" administrative operation will need to be created. Ms. Fox added that President Bruininks and other top leaders are personally very invested in this initiative.
- Will beta testing of task force recommendations be conducted before they are rolled out systemwide? Ms. Fox is unsure, however, she noted that there exists an awareness that consultation is critical before the various projects are rolled out. She volunteered to bring this question back to the Administrative Service & Productivity Steering Committee.
- When will the recommendations be fully implemented? Ms. Fox stated that implementation of the various recommendations will be driven by the substance of the projects. This will be an on-going process.
- With each new administration there is commonly a desire for change. Before the strategic positioning process was initiated, was an evaluation conducted to determine where change needed to occur? Ms. Fox commented that the Best Practice Management Tools Task Force along with the Metrics/Measurement Task Force are designing management systems to define our current levels of performance and ultimately measure results. The aim is to have this transformation be sustainable.
- Will the individuals in charge of rolling out the various projects be given any training? Ms. Fox stated that the Culture and People task forces are focusing on this aspect of the process. She added that this undertaking is a major "transformation" for the University, and, as such, will require a lot of work on the part of all who are involved.
- Ms. Fox was asked to share her background with the committee. She stated that prior to working for the Office of Service and Continuous Improvement that she worked for the Department of Administration at the State of Minnesota. Her background is in communication, legislative relations, and results management. The Office of Service and Continuous Improvement where she is currently employed is helping to inform the strategic positioning process. The office brings expertise in change management and process improvement goals.

Next, members discussed amongst themselves the notion of "service contracts", which Ms. Fox had referenced in her presentation. In the case of the University, a service contract is a transaction between an academic and service unit whereby the academic unit negotiates with a service unit for a specified level of service e.g. janitorial. Under this approach the service unit is more accountable for the services it delivers, and the

academic unit has a better understanding of the level of service it is purchasing so it can make more informed choices about how to allocate its resources.

It was noted that inherent in the concept of service contracts is the concept of competition, which would mean consumers would have a choice of whom they would like to purchase their services through. It seems highly unlikely the University would allow departments/units to go outside the University for services it currently provides for in-house. A member remarked that currently central administration casts itself in the role of property owner/service provider, and the rest of the University are its clients who have no choice but to turn to the owner and pay whatever the prevailing price is for a given service.

A final comment on this topic was that implicit in the strategic planning initiative is the need for alignment between the administrative and academic strategic positioning efforts, both of which focus on the University's mission. With that said, it is imperative that service levels for activities critical to the University's mission need to be maintained.

Before moving on to the next agenda item, Professor Alexander wished Ms. Fox luck with the strategic positioning efforts and thanked her for her presentation. He requested that next year the committee be given a demonstration of a "nimble" administrator (as noted earlier in Ms. Fox's presentation).

Ms. Fox stated that if committee members have additional questions for her to contact her at mefox@umn.edu.

IV). Next, Professor Alexander welcomed Bill Chose, director, Maintenance and Operations, Facilities Management. Mr. Chose was invited to provide information on the consequences of the October rainstorm, particularly as it relates to WBOB (West Bank Office Building).

In response to a question, Mr. Chose reported that the most significant water damage from the October storm occurred at the following University sites:

- Fraser Hall (in process of being re-roofed)
- Buildings with known design leaks e.g. Williamson Hall
- Radio K
- Facilities Management Building - St. Paul
- WBOB

Mr. Chose distributed a handout, *WBOB Flood, Recap and Comment*, which documented what occurred at the WBOB site following the substantial rainstorm on Tuesday, October 4 and Wednesday, October 5. From the handout Mr. Chose highlighted the following:

- A ten inch diameter roof drain pipe, intended to drain the roof, failed. The pipe was held in place by a cold clamp.
- The water from the roof permeated through the south half of the six floor and subsequently down to the fifth, fourth and third floors. The leak started in a mechanical room, adjacent to an electrical riser, which got wet and failed.

- WBOB is managed by an outside property management company. This is done to benchmark the University's property management services against that of the market. This vendor made a decision on Wednesday, October 5th to permit employees, not involved in emergency management, to go home. In hindsight, this should have not been the outside vendor's decision, but rather each department administrator's decision.
- Once the main electrical bus that carries current from the basement up to floors 1 – 6 on the south side of the building became damaged, power was interrupted. Lack of power hindered clean-up. As a result, the WBOB situation clearly demonstrated that the University does not have the ability to provide the level of clean-up necessary when there is no power. As a result, Risk Management is in the process of drafting an RFP to hire an outside vendor to provide for clean-up in similar situations.
- Communication was critical in the WBOB situation. Therefore, OIT set up a website, which FM populated to keep individuals informed about the status of the on-going repairs.
- Many departments housed in WBOB had contingency plans in place prior to the disaster. Mr. Chose commended these departments for their plans.
- There was an excellent response to this disaster by all service departments involved e.g. Emergency Management, Security, Construction, etc.

Questions/comments from members:

- Did student housing or Andersen Library sustain any water damage? No, not to Mr. Chose's knowledge.
- Why were none of the University's emergency generators used to facilitate clean-up? Mr. Chose stated that the electricians' priority was to get the by-pass workable. Once working there was power, which negated the need for generators.
- Professor Alexander complimented FM on their communication efforts around the WBOB disaster. This is a model for how communication around such events should be conducted. Mr. Chose made it clear that OIT contributed significantly to these efforts, and FM could not take full credit.
- What is the damage estimate for WBOB? Mr. Chose reported that the damage estimate is a half a million dollars.
- The University should establish an emergency response contingency fund. STCFSS should consider making a statement around this recommendation. Mr. Chose noted that it may be as simple as establishing a line item in the next budget request.
- Once a vendor is identified through the RFP process to provide clean-up services, how much will the University be required to pay to have this vendor "on-call"? Mr. Chose stated that because the RFP is still in its drafting phase, there is no way to know the answer to this question until the bids are returned.
- A problem with establishing an emergency response contingency fund is that there will always be departments standing in line waiting to spend it. Mr. Chose acknowledged this remark.
- How much of the WBOB damage was insured? To the best of Mr. Chose's knowledge all but \$10,000 was covered by insurance, but admitted having a very

- limited knowledge about the University's insurance coverage. He deferred insurance questions to Mr. Cary Jones in Risk Management.
- The problem with establishing a separate fund for events that are already insured has to do with the fact that the University does not get the adequate funding from HEAPR to begin with.
 - Is the University self-insured? Again, Mr. Chose deferred insurance questions to Cary Jones in Risk Management. A suggestion was made to invite Mr. Jones to the December meeting.
 - Who is responsible for repairing the East River Road that was also closed as a result of the heavy rain on October 4/October 5? Mr. Chose stated that he does not know who is responsible for the road, but stated that the University is responsible for repairing the storm sewer.

Professor Alexander thanked Mr. Chose for taking the time to attend today's meeting.

V). Hearing no further business, Professor Alexander adjourned the meeting.

Renee Dempsey
University Senate