

Minutes*

Faculty Consultative Committee
Thursday, April 16, 2009
1:00 – 3:00
238A Morrill Hall

Present: Emily Hoover (chair), Nancy Carpenter, Carol Chomsky, Shawn Curley, William Durfee, Janet Fitzakerley, Marti Hope Gonzales, Michael Hancher, Kathryn Hanna, Caroline Hayes, Brian Isetts, Judith Martin, Nelson Rhodus, Cathrine Wambach, Becky Yust

Absent: Gary Balas, Susan Berry, Dan Dahlberg, Michael Oakes, Martin Sampson

Guests: Vice President and Chief of Staff Kathryn Brown

Other: Kathryn Stuckert (Office of the President)

[In these minutes: (1) reviews of senior administrators; (2) 2009-10 vice chair; (3) Nominating Committee; (4) Faculty Senate docket; (5) legislative liaison report; (6) University compensation spending by function]

1. Reviews of Senior Administrators

Professor Hoover convened the meeting at 1:00 and welcomed Vice President Kathryn Brown to discuss reviews of senior administrators, a topic that has been on the agenda for a long time.

Vice President Brown began by noting that since President Bruininks has been in office, he has conducted annual reviews of the administrators who report to him. He receives from them a written summary of accomplishments from the year, he meets regularly with them, and he talks with each about their challenges and accomplishments and the outlook for the year. Ms. Brown said she wished to reassure the Committee that there have been ongoing annual reviews at which the President offers constructive suggestions and feedback and that performance letters are placed in the file each year. (The President has about 18 individuals who report directly to him, including the vice presidents and senior vice presidents, the chancellors, the General Counsel, and the Auditor). One concern of faculty governance committees has been that there is no opportunity for broader input.

When President Bruininks took office, Vice President Brown related, she and Vice President Carrier evaluated the comprehensive review process for senior administrators and discovered there were problems with it. It was time-consuming and labor-intensive and at the end of the process, everyone ended up in the middle in terms of results. They wondered if anyone was getting anything out of the process and looked to see if the University could do something less time- and labor-intensive and that produced higher-quality evaluations. They worked with PDI, Inc. (which gave the University an extremely reasonable rate) to develop an alternative instrument. This instrument is easy to use and allows a 360-degree feedback process—at a cost of about \$200 per review. They specifically sought a reasonable price to be able to use the instrument with a broader set of administrators.

* 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 represents the views of, nor are they binding on, the Senate, the Administration, or the Board of Regents.

The instrument is tied to competencies, not just what a reviewer thinks of someone (e.g., does the individual work well with people). Human Resources worked with PDI to develop the competencies to which the review is tied—they are trying to put a little science into the process. The competencies also help people who are interested in progressing to administrative leadership posts because it identifies the competencies they must have and helps them prepare.

The financial cost of the instrument is very reasonable, Professor Curley commented, but asked about the person-hour cost of using it. It should be reasonable, Vice President Brown said. The individual being reviewed identifies people who should be asked to review him or her, those who report to the person are asked, as are stakeholders in the office, for a total of about 25 individuals across different categories. That number is based on a PDI estimate of the number required to obtain useful information. (Professor Curley expressed the view that 25 is a high number.) The instrument is entirely online, Ms. Brown said, and takes each person about half an hour to complete. They are avoiding appointment of a 10-12-person committee that meets repeatedly and solicits other feedback, a process that is enormously time-consuming. With this process, approximately 25 people fill out the instrument; all of the completed forms go to PDI for preparation of a report, and then the responsible officer meets with the individual reviewed to talk about what was learned. It is much more objective and takes far fewer human resources and far less time.

Professor Gonzales said that it is not just a question of cost but also what one gets in return for the cost. Will the University receive both formative and summative information that will help administrators? If so, that is a lot for the money. They will, Ms. Brown said. PDI works with companies around the world and the University will receive the best possible information. The executives they are working with at PDI, some of whom are graduates and loyal friends of the University, have great interest in contributing to the University.

Professor Chomsky asked about the 25 individuals who would be asked to participate in the review. The administrator can designate some; where do other names come from, and how are the final selections made? Vice President Brown said they envision a small committee of two or three people meeting with the administrator at the beginning to identify the stakeholder categories and who from each category would be asked to participate in the review. (The small committee would consist perhaps of her, Vice President Carrier, and a faculty member.) The administrator being reviewed can make suggestions; the small committee may also identify other individuals to participate. The schedule calls for doing one-half of the President's direct reports this year and one-half next year, and to do everyone on an every-other-year basis thereafter. That is more regular than was the case in the past (every three years) and is a pace they can manage. Professor Chomsky said her concern is about who picks the individuals within the categories; if the administrator picks them, that is a problem, but allowing suggestions is reasonable. Since the individuals participating are representative rather than the entire population of those who could be asked, the selection process is important. The individual will be able to make suggestions, Vice President Brown affirmed, but (as has been the case in the past), the responsible administrator and/or committee will add its own names.

Professor Carpenter said that the Morris campus has had no recent reviews of administrators, a situation the faculty would like to see changed. In that case, however, Vice Presidents Brown and Carrier should not be the ones who select the names of participants. Ms. Brown agreed that the small committee in that case would need to include representation from the Morris campus. They want it to be a flexible

process that meets the needs of the situation and not so rigid that it cannot fit the unique needs of certain positions.

Vice President Brown explained that the competencies are intended to capture broad leadership characteristics. The number of participants, optimally 20-25, was recommended by PDI: with fewer, the information may not be valid; with more, there is no added value. They have also talked about adding an open-ended opportunity for others to submit comments so that no one who wants to provide comments is excluded. They want to use a scientific process but also take comments. That will make the process a lot more palatable, Professor Carpenter remarked. Professor Hanna said that someone going up for promotion and tenure can suggest names; this process should be parallel. She inquired if the participants would make their comments anonymously. Ms. Stuckert reported that they will, although they will be coded by PDI; the results, however, will be aggregated.

Professor Hanna suggested that the University consider having a PDI executive provide the feedback to the University administrators because PDI does a lot with executives to create development plans. They should also write the report that will be public. In both cases, the process would be more objective. The intent is that a professional would provide the feedback, Ms. Brown said, and she agreed that they are skilled at developing personal development plans. This work would not be included in the \$200 price but the University is negotiating to get a reasonable rate to provide the feedback, and the notion is that everyone would have a 90-minute session, with more at the option of the individual or if the University thought it essential.

Professor Rhodus urged that the unsolicited comments also be anonymous.

Following on the comments about picking individuals for reviews at Morris, Professor Chomsky suggested that in ALL instances the small committee will need to tap local knowledge so that locals feel there is an appropriate range of individuals involved. There should also be an acknowledgement to the people who participated.

Vice President Brown said she would look into the ability of the University to provide a public report; they had not contemplated that. The reviews are personnel data, both formative and evaluative. She agreed, however, that an acknowledgement of some kind should be sent to participants. People will want to know what happens, Professor Wambach said. There are models for a partial public report with additional private information shared only with the person being reviewed, Professor Chomsky pointed out, such as with the President.

Professor Hancher asked if PDI is experienced in academic settings. Any company like this will have limited experience in higher education, Ms. Brown explained, because higher education has not used them very much. PDI executives are academics, Professor Gonzales reported. Higher education is not foreign to them, Ms. Brown agreed, but it is not the main part of their business. Professor Wambach said General College used PDI and Vet Med has also used them. PDI has more experience at the University of Minnesota than any company of the type, Vice President Brown agreed. And the company can handle the information from the 25 plus any additional comments, Professor Hancher asked? They will work with PDI to be sure that they can, Ms. Brown assured the Committee.

Professor Carpenter said this plan sounds good but no tool will do any good unless it is implemented. Who ensures that the reviews happen? She does, Vice President Brown said. The

President is responsible for evaluation of his direct reports. They have a schedule for reviewing the President's direct reports so, for example, they will only do the chancellor on the Morris campus, for example. The Morris chancellor must do the reviews of others on that campus.

The additional comments, from outside the 25, can also go into the computer and can be sorted separately, Professor Yust said, But it is essential there be some public report, not just a "thank you" and not something three years later. There must be a report that says something. It is so tiresome to participate in reviews and have no idea if the review had any impact so people don't bother any more.

Professor Hanna asked if some senior administrators have contracts with a certain number of years of appointment. Ms. Brown said that the executive group has "at will" appointments. The same is true of almost all the deans; they have moved away from term appointments. Releasing a report will be a challenge, given the Minnesota Data Practices Act, which provides that personnel data are private. It is important to remember that there are legal constraints on releasing a report and there are also personal responsibility issues. She said she hears the point and will look at the question.

Professor Carpenter asked what the policy is about regular scheduling of reviews of senior administrators for the University and coordinate campuses. That is under review, Ms. Brown said, and they want to put in place a policy that requires meaningful and workable reviews; they will try every other year. She said she did not agree with the practice of reviews every three or five years; she pointed out that her first year and fifth year in office were very different. Someone could have a rough year that does not reflect the composite performance of the individual. Reviews that are too irregular prevent meaningful developmental feedback. The reviews have to be conducted so they give meaningful feedback that permits development or a decision that things are not working out. It is not fair to the employee not to provide meaningful feedback—and then push him or her off the cliff. That should be the theory for every University employee—everyone should have a meaningful evaluation of his or her work. In this case, it will be a 360-degree review and a meeting with the President, in addition to the President's annual reviews of each senior administrator.

In terms of what to make public, Professor Chomsky commented, faculty know that if they solicit mid-semester reviews from students, they have to share with the students what they learned from the process or the students will not perceive that the evaluations made any difference. Perhaps this could be a model for administrator reviews. It could be made the responsibility of the administrator to speak to his or her constituents about at least some of what was learned and what was important. Leaving the follow-up in the hands of the person being reviewed would avoid the privacy problem and maybe also be an aspect of how they exercise leadership. That is an interesting idea, Ms. Brown said, and there are professional coaches who can help with that.

Professor Martin commended Vice President Brown for moving on this matter. She said she has been struck for a long time that faculty are reviewed every year and they have no choice in the matter. What's proposed is a good process and they also need to think about the layer of individuals below the central officers. In the case of CLA, for example, chairs serve three-year terms and sometimes it is difficult to find someone to take the position; it will be a challenge to evaluate someone who did not WANT the job. They will have to be careful at that level.

Professor Rhodus asked if the Board of Regents asks for reviews for anyone other than the President. They do not, Ms. Brown said; Board policy is that the Board is responsible for the President and he is responsible for those who report to him.

Professor Yust said she hoped every faculty member is reviewed annually but noted that not every staff member is. And it boggles the mind that nothing happens if the review of a staff member is not conducted. That should be easy to track, she said. What are the consequences if personnel reviews are not conducted?

Vice President Brown said she would pass along the Committee's comments to Vice President Carrier and thanked the Committee for the opportunity to meet with it. Professor Hoover thanked Vice President Brown for joining the meeting.

2. 2009-10 Vice Chair

The Committee elected Professor Oakes as vice chair for 2009-2010.

3. Nominating Committee

The Committee approved the slate of Regents Professors Richard Leppert and John Sullivan for the open seat on the Nominating Committee. The election will take place at the April 30 Faculty Senate meeting.

4. Faculty Senate Docket

Professor Hoover reviewed the April 30 Faculty Senate docket. She noted a bylaw amendment providing that only tenured or tenure-track faculty may serve as chairs of Faculty Senate committees. Professor Yust wondered about the restriction; Professor Chomsky said it is related to the roles that committee chairs must sometimes play in advocating positions that may not be favorably viewed by the administration. Tenured faculty have more protection, Professor Hanna agreed. Professor Curley noted that while P&A staff may have votes in department meetings, they are not eligible to serve as department chair. The Committee discussed whether to exclude tenure-track (that is, probationary) faculty, and concluded that although in the vast majority of cases the chairs would be tenured faculty, there could be the extraordinary case of a probationary faculty member who could serve as a committee chair without risking promotion and tenure.

The major change in the revised Faculty Compensation Policy is to add those who hold endowed chairs to the evaluation process.

The Committee approved the docket unanimously.

Committee members discussed the presentation of issues associated with the Graduate School at the Senate meeting and the disposition of comments that will be received in response to the report prepared by the committee chaired by Dean Crouch.

5. Legislative Liaison Report

Professor Hayes distributed copies of the "Faculty Legislative Liaison Notes April 16, 2009" and explained what was happening in the legislature vis-à-vis the University's budget.

6. University Compensation Spending by Function, 2003 and 2008

Professor Hoover welcomed Dr. Richard Howard, Director of Institutional Research, and Vice President Carol Carrier to the meeting to discuss data on spending on compensation that had been assembled at the request of the Committee.

Dr. Howard distributed copies of three handouts. The first included a set of tables with details on the distribution of expenditures on compensation (salaries and fringe benefits) by employee group and job function (all revenue sources). There were three groups of employee expenditures: (1) those involved in instruction, research, and public service (e.g., those with titles such as professor, lecturer, teaching assistant, clinical professor, postdoc, etc.); (2) those involved in administration and management (e.g., chancellor, provost, dean, head, and managers of administrative units such as the bookstores, police, etc.); and (3) those involved in support and other activities (e.g., advisor, development officer, librarian, coach, executive assistant, accountant, grounds worker, carpenter, etc.). The expenditures for the three categories of employees were as follows (in millions of dollars).

Instruction/Research/Public Service

2003: 639.3 (45% of the total)

2008: 794.8 (45% of the total)

Administration

2003: 183.9 (13% of the total)

2008: 254.8 (14% of the total)

Support/Other

2003: 604.0 (42% of the total)

2008: 735.9 (41% of the total)

Total

2003: 1,427

2008: 1,786

Dr. Howard also included productivity data for the same two years because, as he noted, the University is paying all these people to be involved in the production of degrees, research, credit hours, etc.

Degrees Awarded

Bachelor

2003: 7457

2008: 8984

Masters

2003: 2734
2008: 3426

Doctoral

2003: 563
2008: 775

Professional

2003: 719
2008: 788

Total (including a few Associate degrees)

2003: 11,497
2008: 13,993 (a 22% increase)

Undergraduate student credit hours increased by 4%, graduate student credit hours by 8%, professional school credit hours by 29%. Total enrolled student head count increased by 4% (63,769 to 66,312). Total sponsored research expenditures increased from \$463.4 million to \$583.5 million (an increase of 26%), and total University expenditures (all sources) increased from \$2.939 billion to \$3.948 billion (an increase of 34%).

Finally, Dr. Howard included two pie charts illustrating the percentage of compensation expenditures for the three types of employees (reflecting the percentages from the data above: 45% for instructional/research/public service, 13/14% for administration, and 42/41% for support and other. Professor Hancher asked if this distribution of expenditure on compensation is typical for this kind of institution; it is, Dr. Howard said.

Professor Martin commented that given the increased number of student-credit hours at both the graduate and undergraduate level, and the fact that there are fewer TAs and Lecturers than there used to be, her interpretation of the data is that faculty are far more productive with fewer resources. They are doing more with less, Professor Yust agreed.

Dr. Howard said that the data were assembled to determine if there were shifts in the percentages of compensation expended among the three groups of employees, or if the percentages had remained constant. As the University has grown, the expenditures on compensation have grown about the same. As the University has grown, the expenditures on compensation have grown about the same over the five year period. His interpretation is that as the University has grown more complex over the past five years, it has responded with growth in instruction/research, support, and in leadership at virtually the same rates—and these data indicate the University's growth is being supported consistently across different types of activities. He said he would have been concerned if he saw dramatic changes the percentages, but it appears the institution is growing consistently or proportionately.

Dr. Howard also distributed a chart indicating the number of administrative officers with various titles for four large research universities that are land-grant, with a medical school, and with comparable enrollment (University of Arizona, University of Washington, University of Minnesota, and University of Florida. (The titles included were (president, executive/senior vice president/provost, vice provosts,

associate/assistant provost, chancellor, assistant associate vice president/vice provost/vice chancellor.) Arizona has 44 individuals with those administrative titles, Washington has 72, Minnesota has 54, and Florida has 43. Minnesota, he concluded, is not out of line in terms of the number of senior positions it has.

Committee members returned to the employee compensation expenditures. Professor Wambach inquired if Dr. Howard had looked at the number of tenured and tenure-track faculty; Vice President Carrier said the data were available but not included in these numbers. Professor Yust commented that while the administration expense proportion increased only 1%, 1% of the FY2008 compensation expense is more than \$17 million, which is not small change—almost equal to the budget of her entire college. Dr. Howard said he believed that if one tracked these numbers over time there would be fluctuations in the categories; he agreed that the administration expenditures were not chump change but pointed out that they are a small part of a nearly-\$4-billion budget.

Professor Hanna inquired that since compensation costs had increased approximately 25% and total expenditures had increased about 34%, there must be substantial increased costs of non-compensation items. There has been, such as utilities, Dr. Howard affirmed. Professor Yust recalled that the Provost had told the Committee that the second-largest increase in the University's expenditures was in technology. The more that the University competes for faculty and graduate students, the more it spends on technology and equipment, Dr. Howard observed. Health care costs have also increased about 10%, Dr. Carrier added. The focus of this analysis should be on the changes in the percentages associated with the different types of employees, Dr. Howard told the Committee, and whether the growth of the leadership, administration, and management expenditures has been disproportionate to that of the rest of the University; it has not.

Professor Hancher inquired how the 45% of compensation expenditures for research/teaching/public service compares with similar universities. Dr. Howard said the University is about in the middle. At institutions without a medical school, faculty/academic salaries are about half the compensation expenditures; with a medical school, that percentage drops 5-10%.

Professor Hoover thanked Dr. Howard for his presentation and Vice President Carrier for joining the meeting. She adjourned it at 4:30.

-- Gary Engstrand

University of Minnesota