

Administrative Service & Productivity Steering Committee

***PROGRESS & IMPLEMENTATION PRIORITIES
REPORT***

**Draft for Public Comment: February 6, 2006
Revised Version: March 24, 2006**

***“In support of the University of Minnesota’s academic mission,
our administrative operations will be the best among our peers,
focused on service to faculty, students, staff, units, and the public,
and driven by performance objectives and defined results.”***

Submitted by:

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Carol Carrier, Vice President, Office of Human Resources

Steve Cawley, Associate Vice President and CIO, Office of Information Technology

Jay Kiedrowski, Senior Fellow, Humphrey Institute of Public Affairs

Gail Klatt, Associate Vice President and University Auditor, Audits

Fred Morrison, Professor, Law School / Chair, Senate Committee on Finance & Planning

Richard Pfutzenreuter, Vice President and Chief Financial Officer, Office of Budget & Finance

Gerald Rinehart, Vice Provost, Student Affairs

Linda Thrane, Vice President, University Relations

Coordinator: Meredith Fox, Office of Service and Continuous Improvement

Introduction

Achievement of the University's overarching goal to be a top three public research university means that all segments of our institution must be transformed, including administrative processes and cultural expectations. Since September 2005, the Administrative Service and Productivity Steering Committee and seven associated task forces have taken on the assignment of planning the implementation of this administrative transformation. In January 2006, the task forces reported to the Steering Committee on their work to date, next steps, and their envisioned products. In order to give the University community a comprehensive picture of the transformation, the Steering Committee made the decision to present this unified report for comment. This report provides a status report on task force work and identifies the priority projects essential to the transformation of the administrative services.

The plan for implementation of this transformative agenda is organized under four primary themes: People, Organization/Structure, Information, and Culture. The Steering Committee believes that a targeted focus on these four areas will ultimately achieve a premier administrative operation that is integrated, results-based, and nimble. Each of the seven administrative task forces has a role to play in facilitating success of one or more of these frameworks.

This report consolidates the work to date into a blueprint for change--*transformational* change-- in the ways we organize, support, and serve the University of Minnesota.



Our Vision

In today's competitive world of higher education, standing still means falling behind. Economic, demographic and global changes require that Minnesota's only public research university act now: money is tighter, the population is changing, and global competition for the best faculty, students and staff is building. But the University of Minnesota's goal is not simply to survive in this changing environment. President Bruininks has articulated a vision in which we seize this moment as an opportunity to transform the University into one of the top three public research institutions in the world. Becoming one of the

best in the world is not an end in itself, but achieving this goal will allow us to better educate our students, advance our research, and share that knowledge and invention with the world.

Achievement of the University’s overarching goal means that we must transform all segments of our institution, including administrative processes and cultural expectations. The University’s service and support units have been engaged in continuous improvement projects over the last decade or more. Improvements to the undergraduate experience, campus appearance, and technology support are some examples. The President has challenged the University to move beyond the commendable continuous improvement work that brought us this far, and move into an era of **transformational change**. To do so, we must align and integrate our change efforts. We must work together as one organization with a shared goal and culture.

In his inaugural address, President Bruininks envisioned a University “...known as much for its service and business innovation as for its high quality research, education, and public service.” More recently, he has stated his belief that transformational change in the administrative service and support units is essential to achieving the University’s strategic goal of becoming one of the top three public research universities in the next decade.

In support of the University’s academic mission, we must achieve administrative operations that are the best among our peers, focused on service to faculty, students, staff and units, and driven by performance objectives and defined results. Our administrative operations must be nimble, continuously improving, and results-focused in our delivery of administrative services to provide maximum support for the academic enterprise.

Who we are...

As with other large, complex organizations, we recognize that it will take the efforts of many individuals over the next five to six years to make significant progress toward our transformational goal. The President has called on the Administrative Service & Productivity Steering Committee to oversee the implementation of this change effort. He has requested this structure be in place for two years; at which time progress will be assessed and the structure will be reorganized as needed.

The Steering Committee and task forces are committed to recognizing and valuing critical, creative, and culturally inclusive thinking on the part of all members of the University community and to maximizing opportunities for jointly engaging in such thinking across institutional borders. Through rigorous consultation, process participation, and input opportunities such as focus groups and a public comment period, the leaders of this administrative transformation have attempted to facilitate an inclusive process and product.

The primary work of each administrative task force has been to review their assigned action area and identify projects necessary to put it into action. The membership of each task force was carefully chosen to include experts with proven experience in the respective action area as well as to bring a diverse set of perspectives to bear on the issues. The administrative task forces include faculty, staff, students and representatives from outside the University. Appendix A includes a list of task force members. In addition, the Steering Committee and task forces consulted broadly with a variety of critical stakeholder groups. A list of these meetings is contained in Appendix B.

The Steering Committee’s role has been to prioritize, sequence, and support the efforts of the task forces. As the Steering Committee reviewed progress reports from the seven task forces in January, it became

clear that efforts should be focused on identifying the projects from across the task forces that are most transformative, will drive success of the strategic positioning action strategies, and must be done now. In effect, these selected projects become the first in a series of transformational work efforts that together will take administrative operations to the next level.

The Steering Committee recognizes that other work efforts underway or envisioned at the unit level, also contribute to the goal. Many of the task forces are promoting the success of unit level efforts in addition to their transformational work. As an example of this, the Services Task Force is overseeing a portfolio of smaller scale projects that are meant to reinvigorate the service focus of the University such as increasing the hours of service on campus, examining more effective ways to communicate electronically with students, enhancing the use of U-Card, and improving the experience for non-traditional students. Each task force will continue to oversee progress of their particular work efforts through the summer of 2006 and it is expected they will identify additional projects. The Steering Committee's role is to ensure that the overall portfolio of projects is deliberately moving the institution in the right direction.

In reviewing potential projects to facilitate the transformation of administrative operations, the Steering Committee and task forces assessed each component for obvious and significant contributions to the five University Strategic Action Strategies (students, faculty and staff, culture, resources, and public engagement). In addition, it was determined that all selected work efforts must produce results that improve service, enhance productivity, reduce costs, and/or generate revenue.

Our model

In order to achieve a premier administrative operation that is integrated, results-based, and nimble, the Steering Committee believes that a targeted focus is necessary in the following areas:

- people;
- organization/structure;
- information; and
- culture.

Each of the seven administrative task forces has a role to play in facilitating success of one or more of these frameworks. The following sections describe each framework's importance to the transformation and the Steering Committee's recommendation for near-term, transformative projects that will help drive success in that area. The projects are not listed in a particular order or sequence. Detail about each transformational project is provided in Appendix C.

People

More than 70% of the university's budget is dedicated to the support of its faculty and staff. **Investing in our employees and their success is a key ingredient in achieving the institution's long term objectives.** Clearly, the quality of our people will largely determine whether we can achieve the aspirations we've set for ourselves. We must create an environment where every individual understands what is expected, is fully engaged in his or her work, is supported to innovate and continuously improve, understands how performance will be assessed and rewarded, and has confidence in the direction of the leadership of not only their own work unit but of the overall institution.

Five major umbrella themes support these objectives, including: (1) employee recruitment and retention; (2) employee education, development and training; (3) performance management; (4) compensation and recognition; and (5) work environment. In assessing which of these five areas

is most critical to address over the next few years, the Steering Committee determined that developing employees, managing their performance, and upgrading compensation and classifications systems should be addressed first. In order to achieve maximum progress in these three key areas, the Steering Committee recommended the following work efforts as the most critical in the near-term:

I. Strengthen the leadership skills of our managers, supervisors, and leaders

This project will strengthen managerial and leadership capabilities by identifying, agreeing upon, and implementing key competencies for supervisors, managers and leaders. These competencies will be used in the selection, training, and performance assessments of individuals.

II. Invest in a “strong start” for all employees

This effort will ensure that all new employees begin their employment at the University with a strong start. All employees must receive appropriate support, assistance, and information to orient them to the university as a community, acquaint them with critical resources, and heighten understanding of what is expected of them in their new positions.

III. Improve performance management systems for staff

This effort will improve performance management systems so that every employee receives regular feedback on their performance and understands the expectation to continuously upgrade their skills and knowledge. This project will promote the idea that all University supervisors should reward and recognize achievement, actively support the development of their staff, and deal appropriately with underachieving employees.

IV. Enhance classification and compensation systems across all job families

In order to continue enhancing the competitiveness of the University, classifications and compensation systems will be updated to ensure that pay philosophies for each employee group are clearly articulated, internal and external market compensation information is up-to-date and accessible, and job classifications for each employee group are simplified and current. All managers will be trained to use these systems as designed.

Information

Information-based decision making is essential to increasing the performance and accountability of the University’s operational and service related activities.

The current state of the University’s ability to track service levels and continuous improvement is far from optimal. Although some units may measure performance, there is no clear alignment of those measures to institutional measures or strategies. Some units may be able to characterize their individual progress toward goals, but the University is not capable of aggregating this information or measuring progress at higher levels. Ultimately, we should be able to quantify operational and continuous improvement efforts at an institutional level through the use of meaningful information rather than misaligned and misunderstood raw data.

The Steering Committee believes that **the University must create, collect, and utilize better information for performance-based decision-making.** Support activities at the University should be benchmarked with our peers and the costs and outcomes should be well understood by those we serve. This information will result in prioritization capabilities that will maximize the use of the institution’s resources and leverage its economies of scale.

Five crucial information-related transformational projects have been identified by the Steering Committee as key to moving the University from its existing state to the information-rich, aligned environment described in the scenario above. They include a process by which to identify and advance best practices and single enterprise systems, the new budget model, new finance system, a strengthened Compact process, and improvements to management data.

V. Single Enterprise / Best Practice Identification and Advancement Process

This project will create a process to nimbly and systematically identify, analyze, and advance single enterprise and best practice tools, techniques, and systems. In addition, a review process must be put in place to assess the ongoing effectiveness of these systems.

VI. Internal Budget Model

This project will build a transparent and responsive budget model that supports the stated values of the institution, allows for long-term financial investments, and addresses the overhead needs of the University, while providing reliable, stable and predictable incentives for sound financial planning and strong fiscal management. The model should create appropriate incentives and disincentives to enhance the University’s excellence and optimize the use of resources.

VII. Enterprise Financial System

The new financial system is a project that replaces old technology and introduces transformational change to the culture of financial management at the university. The project will replace the current financial system, including an array of homegrown grants management tools. The expected project outcomes are better tools for financial management, better information for management decision-making, and enhanced skills among the staff who will be using the system. In addition, improvements in processes will occur through process simplification and standardization. The system is being implemented in a manner that will support the organizational and administrative goals of other strategic positioning efforts.

VIII. Strengthen Compact Process to Integrate Planning, Performance, and Budgets

This effort will strengthen the existing Compact process to integrate planning, decision making, resource allocation, and performance metrics into a comprehensive system for all colleges, campuses, and units. It will place accountability at the appropriate leadership levels throughout the University and reward improved performance.

IX. Reliable Management Data Support

In order to standardize definitions and promote accessibility, this project will review management and operational performance data needs of University decision-makers and implement necessary changes. In addition, the functions of the offices that provide this data will be assessed to determine how these units might be best optimized to provide better information for planning and decision-making.

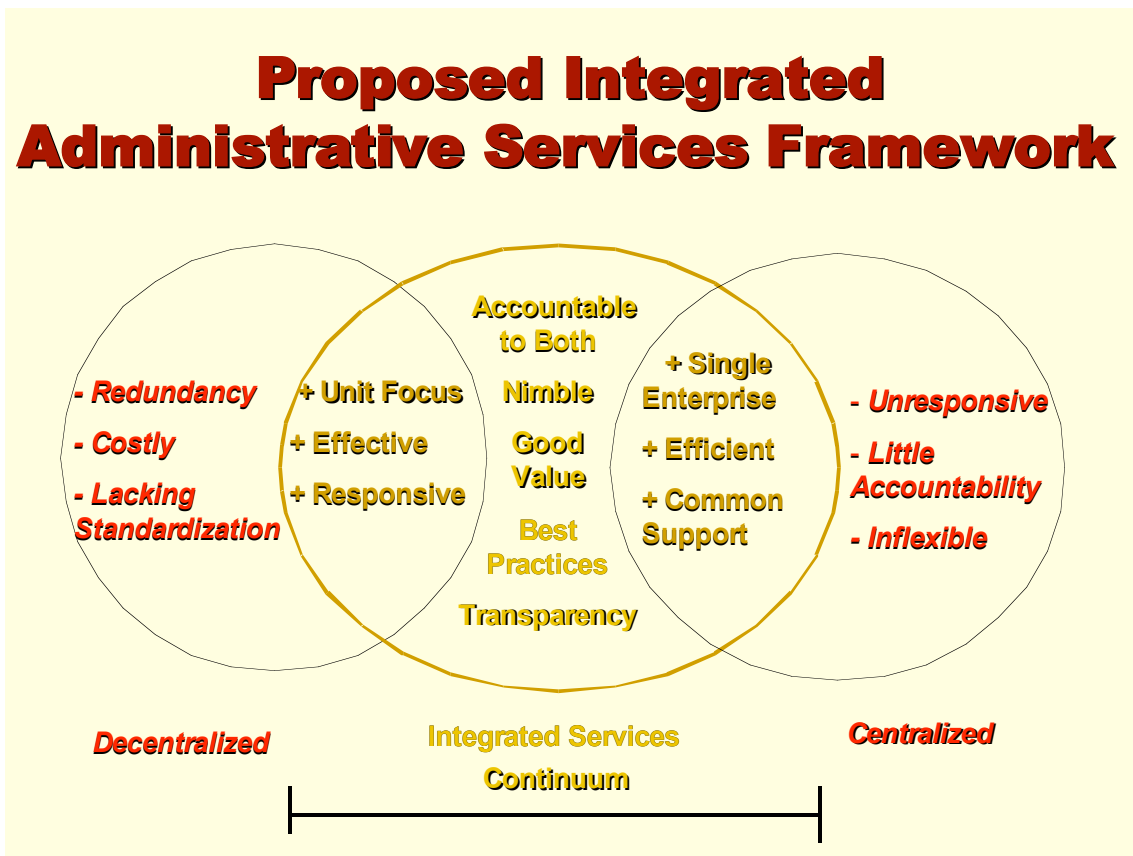
Organization / Structure

The University’s historically ill-defined and unstructured approach of providing administrative support is outmoded. If the University is to achieve its vision of being a top ranked research university, a new model of administrative support and service to the academic enterprise must be created.

The new model must:

- Clearly define roles and responsibilities of academic and administrative units and fully align authority, responsibility, and accountability. Doing so is critical to facilitate decision making – to support implementation of the University’s strategic initiatives and to enhance on-going operational support of academic programs.
- Maximize value and improve the quality and efficiency of administrative support and service for programs.
- Respond more quickly to changing needs and dynamic external factors such as changes in state funding, sponsored research, and the market place (education, health care, etc).

It will be important to reexamine and redefine which administrative and support services are best delivered centrally, which best by individual schools and local units, and which best by sharing (or clustering) services across schools and units. The goal is to deliver services as close to users as possible but to provide services using a shared, centralized model where there are significant economies of scale, where there is a critical mass of expertise required to provide effective services, or where emerging issues can be addressed effectively only by pooling resources across schools or units. In effect, **the Steering Committee believes that an integrated administrative services framework is necessary for the success of the University’s transformation.**



Three major projects will initially drive this framework forward: a new administrative services model, a comprehensive administrative policy review and simplification process, and the transformation of facilities management.

X: New Administrative Services Model

Develop a new model for administrative services that (1) clearly defines the responsibilities and authorities of central units, colleges, and departments; (2) identifies areas for sharing and clustering administrative services to support multiple units; (3) integrates the delivery of administrative services from central to colleges to departments; and (4) delineates system roles and responsibilities.

XI. Administrative Policy Review and Simplification

In order to reduce over-regulation and complexity, increase consistency and compliance, and empower individuals to make decisions, administrative policies and process will be overhauled. This will include clarifying delegations of authority, eliminating conflicts between internal policies or with external regulatory requirements, redrafting administrative policies in a consistent and easily accessible format, and communicating them clearly and understandably to faculty, staff, students, and the public.

XII. Facilities Management Transformation

To achieve the University's strategic goal, space and services must genuinely meet the needs of faculty, staff, students, and academic units. Facilities Management will move from managing buildings to providing services and facilities to serve the faculty, staff, students, and academic programs that utilize those facilities. In addition, beginning July 1, 2006, every university department will be billed directly for their custodial, maintenance and energy services when previously these costs were covered in central budgets. With this increased transparency and accountability, Facilities Management needs to clearly demonstrate the value and quality of their services for users.

Culture

Culture is not a thing. It is a manifestation of actions and behaviors that are in turn driven by shared aspirations, expectations, values, systems and programs. It characterizes institutions but is embodied by individuals. It means different things to different people. It can be an inspiration or an excuse. It can be embraced or an afterthought.

However defined, **culture is critical to the University of Minnesota's aspiration to be one of the top three public research universities in the world within the next decade.** A shared culture of excellence and receptivity to change is at the heart of one of the five strategic positioning action strategies. References to culture, and supporting values, are found throughout recommendations adopted by the Board of Regents in June, 2005.

While there is a lot of work yet to be done, there is a theme emerging:

The University becomes the common thread that unites all of its parts into a larger whole. This community is committed to becoming one of the best in the world – not as an end in itself, but as a way to better educate its students, advance its research and share that knowledge and invention with the world. The nobility of that cause ennobles every member of the university community and becomes the culture we seek.

As Culture Task Force member Charles Denny said: “We begin by recognizing that there will be many subcultures at the geographic, college and department level. We need to discover if there is a central set of values shared by most or all members of the institution. What we seek are the

common core values that will drive the behaviors needed to reach our goal while recognizing the ancillary values particular to a location or unit.”

The goal is to define and communicate a culture that supports and reflects the University’s aspiration to become one of the best public research universities in the world. A substantial amount of the preliminary work in the area of culture is foundational. The Steering Committee believes that defining a culture and identifying implementation strategies to propel and reflect the University’s aspiration is the critical first step in this process.

XIII: Define and Foster a Culture that Propels and Reflects the University’s Aspiration

Define, communicate, and foster a culture that propels and reflects the University’s aspiration to be a top three public research university by: (1) creating a clear statement of the University’s desired culture; and (2) developing a comprehensive plan to transform the University’s culture. Next steps include executing strategies and developing appropriate measures to gauge culture change.

Measuring our progress

In order to promote the long term success of the administrative transformation, measures of progress must be put in place. A number of groups are developing methods to assess the impact of this work at a variety of levels. Substantial progress on these initiatives should be realized by Summer, 2006.

Benchmarks (PEL Team)

A 2005-2006 President’s Emerging Leaders Team is identifying higher education, government, and private sector organizations that have engaged in large-scale transformations similar to the University of Minnesota. Based on their research, they will make recommendations about how the University might benchmark its newly integrated, service-based, and performance-focused administrative operation against similar organizations.

Measures for administrative strategic positioning (Steering Committee / Metrics & Measurements Task Force)

In order to promote appropriate accountability and progress, the efforts of the Administrative Service & Productivity Steering Team and seven associated task forces must be evaluated. In coordination with the Metrics & Measurement Task Force, the Administrative Service & Productivity Steering Committee will develop measures with which to gauge the outcome of its overall efforts.

Service unit metrics (Best Practice Management Tools / Metrics & Measurements Task Forces)

The creation of a robust institutional reporting environment that includes critical operational measures for service units must be a component of the transformation. The Best Practice Management Tools Task Force along with the Metrics & Measurements Task Force will assess appropriate reporting mechanisms to support the Compact process, ensure that unit planning is aligned to strategic positioning, and provide better information for decision-making.

Strategic initiative impacts (TLP Team)

A 2005-2007 Transformational Leadership Team is examining ways the University can better articulate the benefit of its strategic improvement efforts. A critical piece of this project will be to standardize the definitions and categories of impact that are used in order to give leaders more meaningful and timely information with which to communicate the impact of their efforts and make management decisions.

Next steps

To achieve our goal for the administrative services of the University, the transformational projects identified in this report by the Steering Committee must be implemented without delay. When the initial transformational projects are substantially completed, additional enterprise projects will undoubtedly need to be identified and initiated.

Throughout the winter and spring, the Steering Committee will continue to assist task forces in completing their projects and defining the action agenda. In July, 2006, the Steering Committee will provide another status report to the president, board of regents, and the University community.

APPENDIX A- Administrative Task Force Membership

Culture Task Force

Linda Thrane, Chair	Vice President	University Relations
Wokie Grigsby, Staff		
Sandy Korlath, Staff		
Amy Anderson	External	
Beth Zemsky	Coordinator	Office of Human Resources
Chuck Denny	External	
Dana Donatucci	Facilities Support Supervisor	Facilities Management
Diana Harvey	Communications Director	School of Public Health
Jan Batt	Human Resources Director	College of Human Ecology
Jessica Philips	External	
John Adams	Professor	College of Liberal Arts
Lynn Casey	External	
Nancy Hugg	Associate To the Dean and Human Resources Director	General College
Regina Sullivan	Senior Associate Athletics Director	Intercollegiate Athletics
Scott Martens	Director	Office of Service and Continuous Improvement
Theresa Glomb	Professor	Carlson School of Management
Tom Zearley	Student	Institute of Technology
Maria Pabon	Student	Social Psychology, CEHD
Maggie Towle	Director	Twin Cities Student Unions and Activities
Vince Magnuson	Vice Chancellor	University of Minnesota Duluth

Best Practice Management Tools Task Force

Steve Cawley, Chair	Associate Vice President and Chief Information Officer	OIT
Bernard Gulachek	Director of Planning	OIT
Bill Roberts	Director	Fleet Services
John Fossum	Acting Associate Dean	Carlson School of Management
John Sonnack	Information Technology Manager	College of Human Ecology
Linda Lokensgard	Administrative Professional	Law School
Scott Martens	Director	Office of Service and Continuous Improvement
Steve Levin	CIO	University Services
Tom Schumacher	Director	Institutional Compliance

People Task Force

Carol Carrier, Chair	Vice President	Office of Human Resources
Cathy Marquardt	Scientist	Office of Regulatory Affairs
Rosie Barry	Director	Employee Career Enrichment Program
Gary Balas	Professor	Aerospace Engineering
Joe Kelly	Chief of Staff	Office of Human Resources
Julie Sweitzer	Director	EOAA
LaCretia Bell	Departmental Director	Disbursement Services
Linda DeBeau Melting	Associate Director	University Libraries
Mark Tanning	Human Resources	University of Minnesota Physicians
Michael Hancher	Professor and Chair	Department of English, College of Liberal Arts
Patrick Lloyd	Dean	School of Dentistry

Single Enterprise Task Force

Gail Klatt, Chair	Associate Vice President and University Auditor	Audits
Joyce Wascoe, Staff		
Barb Tuckner	External	
Emily Larson	Fiscal Officer	College of Continuing Education
Gary Strei	Vice Chancellor	University of Minnesota Morris
Laurie Scheich	Associate Vice President	Auxiliary Services, University Services
Marcie Christensen	Administrator	Academic Health Center
Matt Larson	Improvement Leader	Office of Service and Continuous Improvement
Rick Asher	Professor	Art History, College of Liberal Arts
Sue Van Voorhis	Registrar	Student Enrolled Services
Tom Schumacher	Director	Institutional Compliance

Administrative Structure Task Force

Terry Bock, Chair	Associate Vice President	Health Sciences
Ross Jansen, Staff	Associate to the Chief of Staff	Academic Health Center
Jay Kiedrowski, Consultant	Senior Fellow	Humphrey Institute of Public Affairs
Dan Feeney	Professor	College of Veterinary Medicine
Jerry Pepper	Associate Dean	University of Minnesota Duluth, College of Liberal Arts
Jill Merriam	Finance Director	Senior Vice President and Provost's Office
Karen Wolterstorff	Associate to the Dean	Institute of Technology
Leslie Krueger	Chief of Staff	University Services
Robert McMaster	Department Head	Geography Department, College of Liberal Arts
Suzanne Bardouche	Finance Director	College of Pharmacy

Service Task Force

Gerald Rinehart, Chair	Vice Provost	Student Affairs
Connie LeMire, Staff		
Bill VanEssendelft	Associate Director	College of Continuing Education
George Green	Associate Professor	Department of History / Graduate School
Laurie McLaughlin	Director	Housing and Residential Life, University Services
Lori Anne Williams	Communications Director	University Services
Maggie Towle	Director	Twin Cities Student Unions and Activities
Steve Spehn	Associate Vice President	Facilities Management, University Services
Steve Wang	Student	Institute of Technology
Tim Church	Professor	School of Public Health, Academic Health Center
Will Durfee	Professor	Institute of Technology

Optimize Resources Task Force

Richard Pfitzenreuter, Chair	Vice President and Chief Financial Officer	Office of Budget and Finance
Mike Volna	Associate Vice President and Controller	Controller's Office
Stuart Mason	Associate Vice President Chief Investment Officer	Asset Management
Gail Klatt	Associate Vice President and University Auditor	Audits
Julie Tonneson	Budget Director	Office of Budget and Finance
Carole Fleck	Debt Management Director	Office of Budget and Finance
Kelly Farmer	Director	University Tax Department

APPENDIX B- Recent Stakeholder Consultation

Last updated: 3.13.2006

Group	Responsible Administrator	Venue	Date/Time
Twin Cities Deans	Kathleen O'Brien	TC Deans Meeting	July, 2005
			2/13/2006
FCC	Kathleen O'Brien / Linda Thrane	FCC retreat	9/1/2005
Senate Committee of Finance and Planning	Kathleen O'Brien / Fred Morrison	SCFP regular meeting	9/20/2005
			11/29/2005
			2/7/2006
CAPA	Kathleen O'Brien / Meredith Fox	CAPA regular meeting	10/20/05
			11/18/2005
			2/17/2006
MSA	Kathleen O'Brien	Meeting with student leadership	11/28/2005
			TBD- Winter 06
GAPSA	Kathleen O'Brien	Meeting with student leadership	11/28/2005
		Regular meeting	2/1/2006
Civil Service Committee	Kathleen O'Brien / Carol Carrier	Civil Service regular meeting	11/17/2005
			2/23/2006
Labor Unions	Kathleen O'Brien / Carol Carrier	Briefing	Spring, 2005
HR Pros	Kathleen O'Brien	HR Pros regular meeting	1/30/2006, 2pm
RRC Managers	Kathleen O'Brien	RRC regular meeting	1/18/2006
Communicators Forum	Kathleen O'Brien	Strategic Positioning brownbag	3/8/2006
Coordinate Campuses	Kathleen O'Brien	Chancellor's meeting	9/7/2005
		Coordinate campus visit	UMD- 10/14/2005
		Chancellor phone calls	November, 2005 January, 2006
Collegiate Redesign Implementation Steering Committee	Kathleen O'Brien / Terry Bock	CRISC regular meeting	11/3/2005
Small Colleges Task Force	Kathleen O'Brien / Terry Bock	Meeting	November, 2005
			1/26/2006

APPENDIX C- Transformational Project Detail

I. Strengthen the leadership skills of our managers, supervisors, and leaders

Administrative Task Force: People

Project Objective: Articulate the key competencies needed by those in roles of supervising and managing people and operations. This project must ensure that these key competencies are reflected in the selection, training, and performance management of individuals in these roles.

Project process and timeline: This project has a number of components linked to other efforts. For example, key competencies for financial managers are being defined by the Enterprise Financial System project and the financial job family classification analyses. Key competencies for university supervisors have been prepared and are now included within the mandatory supervisory training programs at the University. Competencies for managers have been drafted and are being refined through the Successful Manager Program which is being piloted in 2005-2006.

Project owner: Office of Human Resources

Project measure of success: We will be successful when recruiting and retaining highly skilled supervisors and managers becomes a visible priority for every chancellor, vice president, dean and other major leader within the University. Success of this objective rests with senior leaders investing time and resources in the success of their supervisory and managerial team in very concrete, demonstrable ways, including:

- carefully prepared job descriptions that include expectations about the importance of competencies for the role
- selection processes designed to reveal the strengths and weaknesses of supervisory/ managerial/ leadership qualities in addition to functional business skills
- careful attention to the mentoring and development of the supervisory/managerial/leadership personnel within the unit
- thoughtful, not perfunctory, systems of monitoring performance and providing coaching
- leader's willingness to invest time to improve his/her own knowledge and skill to select, coach and mentor

Resources required: A new position called "Director of Leadership Development" is in the final stages of being searched. This individual will be asked to assume major responsibility for moving forward critical aspects of this project, and will begin to more closely align a variety of existing programs that contribute to the larger agenda.

II. Invest in a "strong start" for all employees

Administrative Task Force: People

Project Objective: Ensure that new employees are well equipped to begin their employment and are aware of the expectations the University holds for productivity, ethical behavior, and a respectful community.

Project process and timeline: Several activities are underway. New employee orientation will be revamped and available by January, 2007. A pilot of a new dean orientation program will be implemented for Fall, 2006 by the Provost's office. A more comprehensive program orientation for new faculty is being planned by the Office of the Vice Provost for Faculty Development.

Project owner: A collection of leaders from the Office of Human Resources, Provost's office and collegiate or business unit officers charged with faculty or staff development

Project measure of success: New employees will (1) understand value and behavior expectations (2) develop a familiarity with helpful employment resources (3) understand how they will contribute to the larger university mission. New deans will have the resources and information they need to ensure that they can be effective in their roles.

Resources required: Specific process improvement solutions are not yet known. Resource needs may become apparent as the team conducts its work.

III. Improve performance management systems for staff

Administrative Task Force: People

Project Objective: Assess current civil service staff performance management system impacting 4000+ staff, including perceptions of strengths and weaknesses, build readiness for an improved system-wide

performance management system, identify requirements and resources for this new system, and recommend an implementation plan.

Project process and timeline: Study is underway- recommendations expected by spring semester 2006

Project owner: Office of Human Resources and Civil Service Committee

Project measure of success: New system is applied in a consistent manner, provides sufficient information to support merit based pay decisions, links to individual, unit and institutional objectives, enjoys the confidence of those reviewed and those who carry out the reviews; is viewed as fair, useable, measuring the appropriate standards and criteria, and can be linked to individual development planning.

Resources required: To be determined

IV. Enhance classification and compensation systems across all job families

Administrative Task Force: People

Project Objective: Ensure the university maintains an up-to-date approach to its job classification system for each job family. This system includes a well-articulated pay philosophy, appropriate internal and external market data, consistent use of classifications throughout the institution, and a system for auditing compliance.

Project process and timeline: Study and implementation of recommendations complete in 2008.

Project owner: Office of Human Resources in partnership with the Council for Academic Professionals and Administrators, Civil Service Committee, unions, and other key partners

Project measure of success: Classifications are used consistently throughout the system; pay philosophy is clearly articulated; better tools for determining which employee group “owns” particular forms of work; more tools to assist managers in determining classification and compensation structures within their units.

Resources required: This initiative will require a great deal of staff time in OHR’s Compensation Division

V. Single Enterprise / Best Practice Identification and Adoption Process

Administrative Task Forces: Best Practice Management Tools and Single Enterprise

Project Objective This project is creating a process to nimbly and systematically identify, analyze, and advance single enterprise and best practice tools, techniques, and systems. In addition, a review process must be put in place to assess the ongoing effectiveness of these systems.

Project Process and Timeline: The Best Practice Management Tools Task Force will formally charge the Office of Service and Continuous Improvement to develop the process outlined above. The framework for this process has been roughly articulated, but now needs to be formalized, implemented and operationalized. The Single Enterprise task force will continue to develop a governance process for the adoption of Single Enterprise solutions. Substantial progress should be made by Summer, 2006.

Project Owner: To be determined

Project Measures of Success: (1) number of established best practices for each management discipline throughout the institution and the percentage of organizational units that have adopted these practices (2) number of Single Enterprise practices established for each management discipline and the percentage of units who are compliant with these practices.

Resources Required: Resources have been committed and are sufficient at this time

VI. Internal Budget Model

Administrative Task Force: Optimize Resources and Services

Project Objective: This project’s goal is to build a transparent and responsive budget model that supports the stated values of the institution, allows for long-term financial investments, and addresses the overhead needs of the University, while providing reliable, stable and predictable incentives for sound financial planning and strong fiscal management. The model should create appropriate incentives and disincentives to enhance the University’s excellence and optimize the use of resources.

Project Process and Timeline: Implementation is underway. The official start date is July 1, 2006.

Project Owner: Richard Pfutzenreuter, Vice President and CFO & Frank Cerra, Senior Vice President, AHC

Project Measures of Success:

- The degree to which units begin to focus activities on strategy aligned with missions and goals.
- The level to which the University can measure efficiencies and cost controls through the incentives provided by this model.
- The level to which revenues are enhanced by incentives in the model.
- Simplicity: the financial/accounting administrative and transactional activity efficiencies gained in the model's simplicity and understanding.
- The degree to which investments can be prioritized and reallocated.
- Information: The degree to which fact-based decisions can be made based on true costs and service levels.

Resources Required: Resources are currently applied to the project. Continuing evaluation of this project may surface additional project resource needs.

VII. Enterprise Financial System

Administrative Task Force: Best Practice Management Tools and Optimize Resources

Project Objective: The new financial system is a project that replaces old technology and introduces transformational change to the culture of financial management at the university. The project will replace the current financial system, including an array of homegrown grants management tools. The expected project outcomes are better tools for financial management, better information for management decision-making, and enhanced skills among the staff who will be using the system. In addition, improvements in processes will occur through process simplification and standardization. Some key objectives of the project include providing the University with enhanced data analysis capabilities to support the need for better management reporting and decision-making, and to ensure that the new financial system supports a strong but cost-effective internal control environment. Finally, the system is being implemented in a manner that will support the organizational and administrative goals of other strategic positioning efforts.

Project Process and Timeline: The functional and technical design of the system will begin in early April, followed by building technical code, system and user acceptance testing, and rollout. The new system will go live in July 2008. Project clean-up will be the final stage following a successful implementation.

Project Owner: Richard Pfitzenreuter, Vice President and CFO

Project Measures of Success: (1) the system is implemented on-time and under budget (2) the degree to which the system supports data-driven financial management and decision-making

Resources Required: Resources have been committed and the project is well underway. Resources needed to support the system post-implementation will be identified as the project progresses.

VIII. Strengthen Compact Process to Integrate Planning, Performance, and Budgets

Administrative Task Force: Best Practice Management Tools, Optimize Resources, and Services

Project Objective: This effort will strengthen the existing Compact process to integrate planning, decision making, resource allocation, and performance metrics into a comprehensive system for all colleges, campuses, and units. It will place accountability at the appropriate leadership levels throughout the University and reward improved performance.

Project Process and Timeline: Key components are currently under analysis and planning. Substantial progress can be expected by 2007.

Project Owner: Senior academic vice presidents and administrative vice presidents

Project Measures of Success: More data-based decision making. Increased levels of accountability.

Resources Required: To be determined

IX. Reliable Management Data Support

Administrative Task Force: Best Practice Management Tools

Project Objective: Review management and operational performance data needs of University decision-makers and implement necessary changes to standardize definitions and promote accessibility. Assess the

functions of the offices that provide this data to determine how these units might be best optimized to provide better information for planning and decision-making.

Project Process and Timeline: Project owner must be identified

Project Owner: Needs to be identified

Project Measures of Success: The extent to which senior leaders have the data they need to make management decisions.

Resources Required: To be determined

X: New Administrative Services Model

Administrative Task Force: Administrative Structure

Project Objective: Develop a new model for administrative services that (1) clearly defines the responsibilities and authorities of central units, colleges, and departments; (2) identifies areas for sharing and clustering administrative services to support multiple units; (3) integrates the delivery of administrative services from central to colleges to departments; and (4) delineates system responsibilities.

Project Process and Timeline: The Administrative Structure Task Force began its work in Fall, 2005 by developing a working draft of principles and guidelines for restructuring of University administrative services based on a new vision for administrative services. The working draft was shared with the Administrative Services Steering Committee and other task forces for input. The task force is meeting with the heads of the University's major administrative units in January and February to discuss how the principles and guidelines can be applied in human resources, finance, information technology, communications, facilities management and other University Services, research administration, student support services, and development. An interim report will be available for input by key stakeholders in late spring with redesign efforts in various units underway by July 2006. It is envisioned that the redesign efforts will be broken into multiple projects and phased over the next two to three years.

In addition, the working guidelines and principles were shared with the Associate Provosts and college deans in the redesigned colleges and assistance was offered to design and implement new administrative structures and staffing models. Key resource individuals were identified from human resources, finance, facilities, communications, information technology, research administration, student support services, development, and alumni affairs to work with the schools. Initial planning began in Fall 2005.

Recommendations were due to the Associate Provosts in December. Implementation will begin as early as February 2006 to enable the colleges to be fully operational by July 2006. The redesigned colleges can serve as models for the more comprehensive restructuring of the University's administrative services, which will occur over the next two to three years.

Project Owner: The Administrative Structure Task Force

Project Measures of Success: (1) improved quality and efficiency of administrative services (2) reduced costs

Resources Required: To be determined

XI. Administrative Policy Review and Simplification

Administrative Task Force: Best Practice Management Tools

Objective: In order to reduce over-regulation and complexity, increase consistency and compliance, and empower individuals to make decisions, administrative policies and process will be overhauled. This will include clarifying delegations of authority, eliminating conflicts between internal policies or with external regulatory requirements, redrafting administrative policies in a consistent and easily accessible format, and communicating them clearly and understandably to faculty, staff, students, and the public.

Process/Timeline: The Best Practice Management Tools Task Force chartered this project in November, 2005. Substantial progress is expected by 2007.

Project owner: Kathryn Brown, Vice-President and Chief of Staff, and Michael Volna, Associate Vice President and Controller

Measures for Success: (1) fewer, rather than more, policies (2) reduced paperwork (3) improved service quality (4) time and money savings.

Resources Required: To be determined

XII. Facilities Management Transformation

Administrative Task Force: Services, Administrative Structure, and Optimize Resources

Objective: Operating and maintaining facilities is a major University expense, second only to personnel. To achieve the University's strategic goal, space and services must genuinely meet the needs of faculty, staff, students, and academic units. Facilities Management will move from managing buildings to providing services and facilities to serve the faculty, students, staff, and academic programs that utilize those facilities.

In addition, beginning July 1, 2006, every university department will be billed directly for their custodial, maintenance and energy services when previously these costs were covered in central budgets. With this increased transparency and accountability, Facilities Management needs to clearly demonstrate the value and quality of their services for users.

Facilities Management is embarking on a six month process to identify ways to become a more customer-focused organization. They will create a strategy to deliver services in the most efficient manner possible - demonstrating value to the customer. The goal is to transform into an organization that provides reliable, consistent services, and high quality space to support the mission of teaching, research and outreach at the University of Minnesota. This transformation will also provide a foundation for the future integration and alignment of University Services functions.

Process/Timelines: Employee focus groups and customer open houses were conducted to gather feedback for the transformation. The project steering group will use that feedback to help set charters for four action teams. The action teams will use the feedback to guide the planning process. In addition, Facilities Management has retained subject-matter experts and an expert review panel to help guide them. The action team planning process will take place from November 2005 to June 2006. The transformation to the new service model will take place in FY2007.

Project Owner: Kathleen O'Brien, Vice President for University Services and Steve Spehn, Associate Vice President for Facilities Management

Measures for success: (1) productivity enhancements (2) service improvements (3) cost reductions

Resources Required: This project will be funded from Facilities Management resources. People from throughout the University community will contribute their expertise, time, and effort.

XIII: Define and Foster a Culture that Propels and Reflects the University's Aspiration

Administrative Task Force: Culture

Project Objective: Define, communicate, and foster a culture that propels and reflects the University's aspiration to be a top three public research university by: (1) creating a clear statement of the University's desired culture and (2) developing a comprehensive plan to transform the University's culture. Next steps will include executing strategies and developing appropriate measures to gauge culture change.

Project Process and Timeline:

- Review current University data about culture, include surveys and other reports.
- Conduct a communications audit to assess publications, newsletters and other vehicles that can be used to facilitate cultural change
- Conduct focus groups
- Benchmark peer universities
- Gauge internal attitudes through the Pulse survey and public attitudes through the annual University Relations market survey
- Assess the reports of the other 33 task forces to incorporate their findings and recommendations
- Create a culture statement for the University

- Develop implementation strategies

Project Owner: Linda Thrane, Vice President, University Relations

Project Measures of Success:

Short Term: (by Fall, 2006)

- Baseline measurement of perceptions, attitudes and behaviors as tangible manifestations of the culture of the University of Minnesota via the internal “Pulse survey” (scheduled implementation - February 2006) and external research.

Long Term:

- Implementation of communication, leadership, training, compensation and other human resource systems that support the desired culture in alignment with the People Task Force and other administrative task forces.
- Demonstrated increase in recognition and ownership of the desired culture, based on internal and external data, including that from University Relations and Pulse surveys.
- Progress toward desired culture reflects and drives progress toward the University’s top three goal and is captured in those measures and metrics.

Resources Required: To be determined

APPENDIX D- Public Input (winter 2006)

Between February 6 and March 6, 2006, the Administrative Service & Productivity Steering Committee accepted comments from the public on its progress and implementation priorities report. Eleven comments were submitted specifically addressing the report in addition to the 68 comments that were submitted over the past five months to individual administrative task forces. Comments were primarily received from faculty and staff members, but a handful of students and members of the general public weighed in on the direction and priorities of the Steering Committee.

Comments to individual task forces were given great consideration during the creation of the February 6, 2006 report, so this appendix highlights the primary themes from the report comments and notes the Steering Committee's position on those themes. The Web site for comments on this report is now closed, but commentary will continue to be accepted to individual task forces via the Strategic Positioning Web site. The Steering Committee greatly welcomes additional feedback and insight.

Themes from report comments:

- The focus on investments in the people of the University is the right direction. Some projects should even be speeded up.

The Steering Committee chose to highlight the "people" priorities first because a significant investment in the people of the University will be critical to ensuring the success of this administrative transformation. The Steering Committee is committed to ensuring that implementation in this area is swift and steady over the next few years.

- The culture work is critical and extremely difficult.

The Culture task force has been conducting extensive focus groups, interviews, and surveys to understand the current University culture and uncover methods through which to promote the best of what it means to be a member of the University community. This work has been time consuming and complicated, but the Steering Committee is confident that it lays an important foundation for promoting a culture of excellence at the University of Minnesota.

- Better management information is important.

Deploying better management information systems at the University is a top Steering Committee priority. The University is already moving in this direction with revisions to the Compact process and the implementation of the Internal Budget Model. The Steering Committee hopes to bring this capability to the next level in order to appropriately support the envisioned transformation.

- Promoting and valuing diversity must be addressed more explicitly as a principle and tactic.

The Steering Committee recognizes that diversity and inclusiveness must be a foundational element of our culture. As each administrative task force completes its foundational work this spring, the Steering Committee is committed to ensuring that this critical issue is appropriately addressed in all principles and processes that are created. Further, a comment about the intended inclusiveness of the administrative transformation process thus far has been added to page three of this revised report.

○ We should be striving towards less bureaucracy and burden. Let people think for themselves. *The Steering Committee believes that easing bureaucracy and becoming less risk averse must be an element of the administrative transformation. One project that will directly address that issue is the administrative policy review and simplification process.*

○ There should be more of an emphasis on students' role – the impact this work has on them and their involvement in the process.

Each implementation project recommended by the Steering Committee will ultimately benefit the student experience at the University of Minnesota. Whether it lowers the costs of services for students or directly increases their level of service, their satisfaction is a top priority. In particular, the Services Task Force is examining a series of projects that would directly improve service for students including an initiative to strategically increase the hours of operation to more closely align with students' schedules. Further, the Steering Committee is committed to including students on project teams wherever feasible. Students currently are serving on some administrative task forces.

○ Final note: At the request of President Bruninks and the Executive Strategic Positioning Team, the Administrative Service and Productivity Steering Committee amended its mission statement to include “the public” in its list of those that are served. That change is reflected in the new mission statement:

“In support of the University of Minnesota’s academic mission, our administrative operations will be the best among our peers, focused on service to faculty, students, staff, units, and the public, and driven by performance objectives and defined results.”