

## **Principles for Evaluating "Operational Excellence" at UC Berkeley, Fall 2010**

*Proposals for major reorganization and staff reductions will be coming soon under the campus Operational Excellence, now under way. All of us need to follow the process closely and make our views heard. In order that we may speak with a clearer voice and not a cacophony of particular objections, we need a set of basic principles to judge what will happen – especially about how NOT to go about implementing reforms.*

### First, on the positive side:

§ The key findings of the Bain & Co. evaluation appear to be sound: UC Berkeley has too many layers of management and too horizontal an organizational chart, as well as an overly scattered procurement system and inadequate IT infrastructure.

§ Fixing these problems can benefit the campus by reducing costs, making work conditions better, and improving administrative accountability and responsiveness.

§ The formation of seven joint administrative-faculty-staff committees to tackle different facets of campus management (IT, student services, purchasing, energy, etc.) is a good approach to identify problems and develop solutions.

§ There is wide agreement that simple cost cutting is not the same as operational efficiency and better management. Furthermore, it is clear that previous rounds of budget cuts and staff layoffs made under duress have jeopardized the basic teaching and research functions of the university.

### Nonetheless, OpEx will not work if certain organizational realities are ignored:

- Rushing out proposals for reorganization without adequate time for reflection is counterproductive. The current rollout timetable smacks of haste.
- Students and more staff are supposed to be added to the OpEx committees, but if this action is delayed, will they have an impact on decisions already being made?
- Reforms should not be generalized without "beta-testing". Frontline staff and faculty need to be involved in providing feedback during trial periods.
- Twenty-seven campus unit heads are supposed to implement the reform proposals coming down from the OpEx committees, but there are no guidelines on how they should involve faculty and staff in designing and implementing reforms within large units. There has to be cooperation, flexibility and feedback all the way down.
- There is a danger of 'one size fits all' proposals imposed without adequate consideration of differences in size, function, and needs of departments and other subunits. Some need more specialists, others more generalists; some can share

services with other units, some cannot. Centralization is not always more efficient.

- There must be meaningful transition planning to help staff and faculty deal with cutbacks, reorganization and layoffs. When people and functions 'disappear' from units without clear directives about where to go for services, work slows down, users and clients become frustrated, and staff become demoralized from overwork.
- There has to be a willingness by top administrators to abandon reform proposals if the rollout, testing and feedback proves that they are poorly designed and flawed. Accordingly, critical feedback must not be treated as hostile and to be silenced.
- The OpEx committees should remain in place to review ongoing implementation of their proposals and to respond where reforms are not working as hoped. They, too, need an open channel for feedback from faculty, staff and students.

Furthermore, OpEx will not work if the administration does not reform itself:

- A common administrative view that faculty and staff are part of the problem, "change averse", is wrong and demeaning. Indeed, if top management had been doing a better job, problems identified by Bain & Co. would not have grown so large.
- Faculty and staff need to be involved in a meaningful way in the assessments and proposed cuts. Staff associations and union members need to be included and listened to, especially front-line people who see the effects of changes on daily work.
- The administration, the OpEx committees, and the 27 large unit directors need to make their evaluations, proposals and actions as transparent as possible, and should maintain constant communication and open dialogue with lower units and the rest of the campus.
- In a top-heavy administrative system, cuts must come at the top as well as the bottom (the latter always bear the brunt). Administrators and their jobs need to be scrutinized as closely as the rest of us and to be subject to removal, as well.
- The top-heavy salary scale that has grown up in recent years must be rethought, for reasons of campus morale as much as budget savings. Poor morale has significant effects on productivity, efficiency and loyalty.
- The university is not a corporation, either in its motives or its organizational structure; hence, bright ideas from management theory in the private sector often do not fit the university and its parts.

SAVE the University & the Berkeley Faculty Association  
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