BERKELEY FACULTY ASSOCIATION
Council of UC Faculty Associations
http://ucbfa.org/

July 2, 2012

TO: Robert Birgeneau, Chancellor
        George Breslauer, Executive Vice Chancellor and Provost
        J. Keith Gilless, Dean, College of Natural Resources
        Andrew Szeri, Dean, Graduate Division, Faculty Head of Operational Excellence
        John Wilton, Vice Chancellor, Administration and Finance

CC: Robert Jacobsen, Chair, Academic Senate
        Christina Maslach, Vice-Chair, Academic Senate
        Elizabeth Deakin, Alex Bell Co-Chairs, CAPRA
        Panayiotis Papadopoulos, incoming Chair, CAPRA

RE: Campus Shared Services

The Berkeley Faculty Association is deeply concerned about the way Operational Excellence (OE) Campus Shared Services (CSS) is going forward, including the dislocation of hundreds of staff far from campus.[1] We understand the need for cost savings and greater efficiency in the face of straitened budgets, and a "shared services" model can be a useful strategy for providing administrative support to the campus community. As presented to the faculty, however, the CSS design and implementation appears too hasty and to lack the necessary analysis of costs, benefits and impacts.[2]

This is a matter of concern to faculty because administrative services (IT, HR, Finance, and Research Administration) are vital to our teaching and research. Faculty must have confidence that CSS will not create more work and more headaches. Despite upbeat pronouncements from the OE team,[3] conversations with deans, Academic Senate leaders, department chairs, and rank and file faculty tell us that a convincing case for the CSS plan has still not been made.

To gain the confidence of faculty and to be effective in its goals, CSS should address the critical concerns outlined below. There also needs to be a system for feedback and

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[1] 170 staff will move by September 30, increasing to the full number within twenty-four to thirty months. http://www.dailycal.org/2012/05/21/uc-berkeley-staff-members-to-move-to-new-campus-shared-services-center/
[2] OE and Public Affairs statements on CSS include: http://oe.berkeley.edu/expo-recap.shtml; http://oe.berkeley.edu/Spacememo.shtml; http://newscenter.berkeley.edu/2012/05/16/shared-services/ .
[3] OE has stated that "Over the past 14 months, the CSS implementation team has worked with the campus community to design and validate a model for a campus-wide shared services organization. More than 200 individuals serve on CSS work groups, and thousands more, representing staff and faculty, have advised the team on what would best fit UC Berkeley's mission and culture." (Email message of June 12, 2012 by J. Keith Gilless, Andrew Szeri and John Wilton, Vice Chancellor, Administration and Finance).

problem-solving in place before such a major restructuring is launched.[4] This should be done in collaboration with faculty and the key staff on whom we rely.

Our concerns with CSS fall under four headings: financing, monitoring, decision-making, and moving off-campus. Without satisfactory attention to these areas, there are likely to be significant disruptions to research and instruction, unanticipated costs, and widespread confusion among faculty and staff.

Financing
- No budget has been released for CSS, without which it is impossible to make an adequate assessment of the full range of costs.[5] This is especially true of the 4th St. Shared Services Center, including outlays for building lease and renovation, shuttle buses and parking, and staff time for "Transformation Support Services" to assist all 35 units shifting to CSS.[6]

- The CSS implementation is proceeding without an announcement regarding recharges to colleges and departments (centers and programs) for use of Shared Services. Recharge fees are matters of intense concern to individual departments and faculty, and they require discussion up front.

- Warning of reductions in unit budgets arising from the relocation of staff (and staff functions) is likewise essential. There are likely going to be disproportionate impacts on smaller and less wealthy units and there should be a plan in place to mitigate such impacts.

Monitoring and Evaluation
- Given prior centralization/relocation of administrative services (RES, ERSO, CNR), here and at other UC campuses, it is vital that these experiments be studied

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[4] As of its email message to the campus community on June 13, 2012, OE CSS is working with the following schedule:
- Cohort grouping and timing: June 22, 2012
- Notification of reassignment for employees in first (Early Adopter) cohort: June 28, 2012.
- Construction to begin on Fourth Street building improvements: June, 2012
- CSS Readiness series (learning and development opportunities): begins July, 2012
- New CSS processes mapped and service menu finalized: by August 30, 2012
- Determine final price for service and funding by department; calculate savings targets: by August 30, 2012
- Notification of reassignment for employees in all cohorts: by September 30, 2012
- Final staffing plan for CSS and recruiting to begin for all post and hire jobs: by September 30, 2012
- Pre-implementation (where most department impacts, service agreement clauses, and transition specifics will be mapped out): Early Adopters: Now-Jan. 2012
- Subsequent cohorts: 2-3 months prior to transition to CSS

[5] OE will, apparently, analyse costs and savings on August, 30, 2012, **after** leasing the building and starting the transfer of staff. Steven Brown, "UC Berkeley delays move into Fourth Street admin space," *San Francisco Business Times*, June 29, 2012. http://www.bizjournals.com/sanfrancisco/news/2012/06/20/uc-berkeley-delays-move-fourth-street.html.

[6] Transitional Support is to "provide focused Human Resources and Organizational Development services driven by unit-specific requests for help addressing specific changes in units brought about by OE projects." The OE plans for Transformation Support Services are found at:
http://oe.berkeley.edu/documents/TSRequestforResources.pdf
http://oe.berkeley.edu/process/design/documents/TSSBudget.pdf

for their lessons and to avoid future errors. If the OE team has done such an analysis, it should be made available for review by faculty and staff.

- Given past staff cuts (e.g., L&S reduced its staff by 20% in 2009), added work time and multiplication of tasks have been imposed on faculty and unit administrative staff, especially MSOs. It is unclear how CSS will work with departments, particularly smaller ones, to ensure that they have the financial and organizational capacity to meet staffing needs and support faculty in their work.

- Changes of the magnitude proposed by the CSS plan require protocols, metrics, and processes for rigorous monitoring and evaluation. Are there strategies in place for gathering user feedback from campus units and making improvements? How will the campus judge whether CSS is successful?

Decision-Making
- The level of centralization of CSS is striking, and the decision to move CSS off-campus even more so. OE has not indicated what management research and practices it is relying on to make these decisions, nor if they are tailored to public universities as complex and diverse as ours.

- The decision to restructure CSS and move it off-campus ahead of the completion of critical IT infrastructure improvements can be seriously questioned, as can the decision to move ahead before a new campus Chief Information Officer is in place. Shared services need to be closely coordinated with IT development and governance.[7]

- The identification of staff doing shared services work and subject to off-campus relocation remains strikingly undefined. We wonder how data from the Dec. 2011-Jan. 2012 Staff Activities Survey (to determine the percentage of work that is "shared services") will be adjusted for pulsed/seasonal work rhythms and adaptations (like unpaid overtime) made by departments due to prior staff cuts?

- What other locations were reviewed as a home for CSS? What about taking this opportunity to partner with the City of Berkeley to revitalize downtown?

The Shared Services Center
- There is a range of potential "soft costs" impacts of moving CSS off-campus on departments/units with specific teaching, laboratory, and programmatic operations. In particular, one can foresee problems for faculty with grant applications, compliance, and regulatory requirements. Has OE developed mechanisms to account for and mitigate the difficulties that may arise?

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[7] OE's decision to postpone moving staff to the 4th Street Center because of additional time needed to install IT infrastructure is a good example of the problem.

- OE has yet to indicate to the faculty the selection process for 4th Street supervisors and address how reductions in supervisory staff will affect small units where supervisors provide essential services in addition to supervising other employees.

- There should be an environmental impact and health and safety assessment for the 4th Street Center and its associated shuttle bus system.

- Does the CSS plan take into consideration changes that may occur as a result of the UC Path relocation to UC Riverside?

We believe that an effective Shared Services plan requires serious consideration of the issues outlined here. Where this has not yet been done, information needs to be collected, studies performed and results communicated to the faculty and the campus. Perhaps most important, since no plan can ever anticipate every contingency, there should be a clear system for monitoring faculty concerns, administrative responses, and final outcomes.

To this end, we call upon the Chancellor to establish, by the start of fall semester, an *ad hoc* committee of faculty and staff to review and respond to the CSS initiative. This committee should comprise people outside the OE structure with management expertise and on-the-ground knowledge of campus operations, who would work in consultation with both OE administrators and the Academic Senate. This committee should have the power to propose design modifications, timeline adjustments, and other actions to improve the chances of success for Campus Shared Services.

We have been following the OE process for some time,[8] and it is our intention to offer constructive advice not to impede needed reorganization. Nor is this proposal meant to create another study commission to weigh in with a *post hoc* fact-finding report. We think that it is imperative for faculty to be more directly involved in the critical CSS project so that the results will be better for all concerned. It is, after all, in all our interests to see that the campus is able to provide the highest quality administrative support at a reasonable cost for the instruction and research mission of the university.

Sincerely,

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 For the Berkeley Faculty Association Board

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[8] The BFA has previously issued statements on OE, including the Fall 2010 "Principles"; the January 2011 "Faculty Survey on Time Wasters and Support Services;" and Catherine Cole's "Mid-term Evaluation of Operational Excellence". These can be found at the BFA website: http://ucbfa.org/reforming-the-university/operational-excellence/