



August 7, 2012

To: Chancellor Page, Vice Chancellor Wyke

From: Tracy Bigney

Cc: HR Administrative Review Team, OE Partner Tamara Mitchell

Subject: Human Resources Administrative Review

The Human Resources Administrative Review Team has initiated its work and accomplished the tasks identified for June and July. Specific accomplishments to date include:

- Communication by means of a PolyCom session with all HR and EO staff System-wide to provide information about the project, to respond to questions and to invite active participation and input
- Identified the scope of services to be included in the HR review. The following areas that cross HR and other functions were determined to be within the scope of our review, unless the Steering Committee indicates we should eliminate any of them:
 - Labor Relations
 - Equal Opportunity, but we may need to carve out EO functions for students and other non-employees
 - Student payroll, but not student employment
 - Wellness and health improvement, but not safety
- Identified barriers to change
- Identified factors that impede efficiency in HR operations
- Identified HR service areas that will serve as a matrix for analyzing current resource allocation, opportunities for more efficiencies, and gaps in services. The draft matrix includes seven major components with multiple areas within each:
 - **Talent Management:** recruitment, onboarding, performance management (coaching, performance appraisal, discipline, discontinuances), employee development
 - **Total Rewards:** compensation, benefits, wellness and health improvement, working conditions
 - **Labor and Employee Relations:** collective bargaining, communication, grievance administration

- **Organization Development:** employee and leadership development, succession planning, workforce planning and management, change management, metrics
- **Payroll**
- **Equity and Diversity:** equal opportunity, affirmative action, diversity
- **Human Resource Information and Reporting**

Timetable

The review team has completed all tasks targeted for June and July except for selection of a consultant. We have discussed the role of the consultant and have tentatively determined that NCHEMS may be able to provide some of the assistance we need. We have not, however, contacted NCHEMS yet.

Project timeline for June, July and August

June 2012

- Form review team --DONE
- Plan work –Ongoing, have completed review of first three months work plan
- Initial communication with all HR/EO staff --DONE
- Consider/establish mechanism for review of all hiring in HR/EO system-wide to maximize future flexibility –to be discussed by presidents on August 8. Following that we will communicate to campus HR and EO directors.
- Define the scope of HR/EO --DONE

July 2012

- Select consultant –Role of consultant discussed, identified NCHEMS as potential consultant, have not yet contacted them
- Identify barriers to change and factors that limit efficiency –Initial identification DONE; this will be an evolving document

August 2012

- Review standards, benchmarks, best practices, staffing ratios and previous studies and assessments of UMS HR function
- Develop a matrix of HR functional components to be used to assess current services and plan future service delivery –Initial draft DONE; this will be an evolving document
- Inventory current staff and resources dedicated to HR

At this time we are on target except for selection of a consultant. This will be a high priority for resolution.

Questions and concerns for Steering Committee

1. Does the Committee accept the scope of the review as we have defined it? (See above)
2. Will there be a specific dollar target for savings from the HR review? We understand that the idea is to define the most appropriate HR service delivery model, but it is difficult to determine the most appropriate level of service in the absence of knowing the scope of savings expected.
3. What is the process for the “soft freeze” on hiring in areas affected by the administrative reviews?
4. We are concerned about how savings will be counted and potentially counted more than once. The lack of clarity may be a barrier to successful change as individuals and universities work to achieve their own goals rather than University System goals.