

**UNIVERSITY COMMITTEE RECOMMENDATION TO ADOPT A FRAMEWORK
FOR THE EXTERNAL CONSULTANT EVALUATION FOR UW-MADISON RFP #11-5289**

Context

Principles:

1. The multiple goals of this campus-wide review and the questions to guide the effort require clear identification from the outset of the process; otherwise, we risk a narrow perspective that privileges one concept, for example cost savings, over others, such as improving faculty and staff productivity.
2. The review process should not be initiated (phase I as specified in the RFP) until the goals and questions have been successfully identified via a broad and inclusive discussion.
3. Framing this review process should be the fact that administrative load on faculty and academic staff, including time and expense accounting, effort reporting, regulatory compliance, supervision, meeting times, and the like have increased significantly in recent years in no small part because of technological change associated with computers and software design along with declines in support staff.
4. An increasing share of the university income, wealth, and vitality comes from extramural research grants and other developmental efforts that depend fundamentally on high levels of faculty, staff, and graduate student performance on research and development of ideas, technologies, and organizational innovations. This observation means that the external consultant evaluation process needs to balance productivity and revenue-generating activities with administrative cost concerns.
5. The University of Wisconsin-Madison features a long and highly valued tradition of shared governance and faculty-staff led institutional innovation, where major ‘centers of success,’ such as the Wisconsin Alumni Research Foundation (WARF) and most of the major research centers, were born out of faculty and staff-led initiatives, ‘bottom-up’ initiatives. This tradition is also consistent with two heralded principles of the UW-Madison, the sifting and winnowing that discovery of truth requires and the Wisconsin Idea of research and outreach to serve the broader good of citizens in Wisconsin and beyond. This shared governance tradition, and these heralded principles, need to frame the campus conversation about how to improve the administrative organization of the university.
6. In addition, the faculty and staff of the UW-Madison place a high value on shared governance and view it as central to both the legitimacy and potential discoveries of this external consultant review process. It takes time and extra effort for all parties concerned, but it is nonetheless essential to the eventual success of this and any significant organizational reform or initiative.

Current State of the Process:

1. The external consultation process can be viewed as having essentially four phases if the university administration chooses to move forward after the ranking and external selection process is complete:
 - a. Formation and charging of a UW steering committee to work with the external consultant;
 - b. Discovery process of the external consultant and steering committee in which they will develop their diagnostics and solutions including a feedback process from the university community;
 - c. Implementation phase that will include the development and implementation of solutions vetted in the second phase;

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- d. A fourth phase aimed at making the changes sustainable through training and ongoing evaluation of the solutions.
2. The current phase of ranking and selection follows a standard RFP evaluation mechanism. Specifically, a team of university administrators, which was expanded to include one representative from the faculty and academic staff, score the proposals through an iterative process that includes presentations from the top candidates before producing a numerical ranking for the chancellor. She then has the choice to offer the contract to the top ranked choice or to decide not to pursue the outside review.

Recommendations

1. Assuming the selection of an outside vendor, the next phase will involve creating and charging a steering committee to work with the external consultant to undertake the review. A well-crafted charge to that committee and a representative and effective membership will be central to the success of the rest of the undertaking.
2. The charge to that committee should include a set of principles and questions that guide the diagnosis/solution development, implementation, and evaluative phases of the project. These guidelines questions should be developed in close consultation with faculty, staff, students, and administrative leaders. Such a process should be initiated immediately to avoid undue delay or haste in moving to the next phase of the evaluation.
3. The steering committee should include several representatives each from the faculty, staff, and administration, with ample opportunity for others not on the committee to get their voices and ideas well-connected to the review process. It is critical that steering committee participants have the time and expertise to work closely with the consultant to ensure a review that is rooted in the realities of the institution and its current culture.
4. The following questions should be addressed as part of the framing of the charge to the steering committee.

Questions to be Addressed Prior to Moving Forward:

1. **What are the main goals of the external consultant review process?** Here are four potential goals:
 - a. Identify ways to improve the delivery of key services on campus that support the research, teaching, and outreach missions of the campus;
 - b. Identify redundancies or problems in administrative services that create inefficiencies or unnecessary costs of doing business;
 - c. Identify administrative designs or processes that reduce faculty or staff productivity in the key mission areas especially through broad increases in routine administrative tasks;
 - d. Identify ways to expand revenue streams that enable the university to invest in the human capital, infrastructure, and institutional innovation essential to maintaining a world-class academic enterprise.

Note that only the second goal mentions direct cost reduction. The others highlight improving quality of service delivery, lightening administrative loads on personnel involved in the direct delivery of research, teaching, and outreach, and enhancing revenue streams.

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2. **What is on the table for the review, and what is off the table?** The following areas have been identified in the RFP as the main foci of the review:
 - a. Information Technology Services
 - b. Facilities Management
 - c. Procurement
 - d. Financial Management
 - e. Grants Management
 - f. Auxiliaries (e.g., bookstore, dining, conference centers)
 - g. Human Resources
 - h. Business Services
 - i. Energy Conservation

Notice that this list does not include anything directly associated with the academic enterprise of departments, centers, colleges, and the like. Notice also that it does not include student services or activities, such as housing, athletics, or events. Does this mean that those areas are ‘off the table’ for this review?

If so, the domain for the review is on administration and infrastructure-related services. One useful starting point for discussion would include a recent summary of organizational and administrative process redesign (APR) efforts in each of these areas.

Another useful starting point would be to identify the boundaries between some of these domains and their relationship to larger potential domains. For example, what is included and excluded from ‘grants management?’ Does that include compliance mechanisms with federal regulations on animal care and research? Does that include support services for faculty and staff preparing grants?

It might well be that the answer to the animal care and research question is probably not, and the support for faculty question is yes. But the point here is that clear delineation of the boundaries of each of these domains of study with respect to the larger academic enterprise will help to sharpen the scope of inquiry and reduce the potential for unnecessary controversy.

3. **What are the priority areas for broader campus discussion?** Can we identify one or two areas that will require deeper attention in the process? Are the areas of potential big savings identifiable *a priori*? Do the aforementioned APRs help? Are there areas of high administrative loads on faculty and staff that can be identified as main areas for attention?
4. **Who needs to be involved deeply in which priority areas?** Being clear on whose voices need to be in the mix will help to ensure that we get the best information and the most ‘buy-in’ as possible to the review. That requires some constituency identification work for priority areas. An additional challenge will be keeping this discovery and analysis process inclusive and streamlined. Doing so will require a balance between broader discussions within the steering committee and some subcommittee reports to the steering committee on focused areas for investigation. The challenge for those subcommittees will be to reach in a deep but representative way into the various college and sub-campus regions to make sure that proposals for change reflect a full understanding of the implications and likely effects of those changes.

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5. **Do we really believe that the likely benefits of the process and potential changes are likely to outweigh the time and financial costs of this kind of initiative?** This is a serious question that is not readily answered in the abstract or with examples from other institutions. If UW-Madison is not top heavy on administration and is relatively lean on administrative services compared to many of its peers, then the potential benefits might not warrant the effort. If most of the potential gains are likely to be discovered in one or two priority areas, then perhaps the RFP is too broad and that scope is expanding the costs of the effort unnecessarily. Answering this specific question may be possible if we consider the first three questions above in a deliberative and open process. Then, if the answer is yes, it might save us time and money as well as helping to provide a basis for a united approach to improving the organization and performance of UW-Madison.