MEMORANDUM

TO:       David M. Dooley, President
FROM:     Donald H. DeHayes, Chair, Strategic Budget and Planning Council
          Christina Valentino, Vice Chair, Strategic Budget and Planning Council
DATE:     March 10, 2014

We are writing on behalf of the Strategic Budget and Planning Council. We appreciate your invitation to the community to provide feedback relative to the AMRC’s final report. The Strategic Planning and Budgeting Council met on February 20th to review and discuss the report. Given the Council’s strong understanding of URI budgets and strategic priorities and directions and the Council’s role and history in providing recommendations to the President relative to the University’s strategic budgeting and resource investment decisions, we hope that our recommendations will be carefully considered by you and the President’s senior management team with regard to the follow up and prioritizing of the various recommendations contained in the AMRC final report.

The Council reviewed the recommendations in the AMRC report and engaged in a facilitated discussion to prioritize recommendations that it collectively deemed to be of greatest importance to the University. After careful consideration and thorough discussion, we offer the following feedback and recommendations.

The Council identified, as follows, its top priority items from within the Report.

1. **IT is the highest priority of the Council.**

   There was strong support for an outside consultant to work with URI to develop an IT Strategic Plan in conjunction with a thorough review of IT. URI would benefit from an outside consultant who has IT higher education consulting experience. The strategic plan would then need effective implementation and leadership to monitor progress.

   Concern was expressed about consistency in IT and the need for centralization. There is a need to look at the process prior to determining solutions, which could occur with the assistance of an external consultant, offering a wider lens for potential solutions and expertise in examining the current state of IT. It was noted that IT personnel or titles exist outside the IT organization itself, within various colleges and departments. These personnel should be considered as potential resources in any analysis going forward.

2. **HR is the second priority of the Council.**
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The Council noted there are widespread issues/challenges with our current human resource administrative and job classification system. Some of these may relate to the State system. However, the Council believes that URI also needs to carefully examine how we operate internally and whether we leverage University-wide what may be potentially available to manage personnel issues more effectively. Concern was expressed by SBPC members that the AMRC Report may offer solutions prematurely rather than a more careful and detailed study of some of the personnel and business process issues that seem cumbersome and out-of-date. Results of such a detailed study could then more effectively lead to a productive set of recommendations.

Job descriptions are out-of-date and are not effective for the current workplace needs, which may in part relate to the classification system. Perhaps documenting actual work by people in positions and documenting those as opposed to their position description would be the first step to address this issue. This has been articulated numerous times in the past, but the University must find a way to address it. An effective performance management system is the larger umbrella for addressing classification, job descriptions, merit pay, professional development, etc.

Effective change management is an important step in the process for change and making productive changes in areas where the University currently has the ability to do so. There is some leverage with the current non-classified system that would allow managers to address some of the personnel issues they experience. These could be better articulated and communicated to allow for greater strategizing and creative problem solving relative to personnel issues, in particular.

There needs to be a better understanding of the problems in the various HR processes and more effective communication to assist employees and managers. The process should be carefully examined and improved. Recommendations need to extend beyond making the current process electronic, which seemed to the focus of the AMRC’s related recommendations. An external consultant could be useful and may be essential to effectively review the challenges, opportunities, and changes needed.

There may be more flexibility with the ACT/NEA union (comprised of Senior Word Processor, Fiscal Clerk, etc. positions) as they are not part of the statewide Council 94 union and are unique to URI.

3. **Business Streamlining is the third priority of the Council.**

   The University should consider the reorganization and streamlining of business processes. This was underemphasized in the AMRC Report. While this is related to #2 above, it is also relevant to other areas of the institution, such as Travel, Purchasing, and administrative support functions as mentioned in the AMRC Report. There is an opportunity and need to re-engineer and streamline most, if not all, administrative processes within all Divisions of the institution. The creation of business centers should also be reviewed.
4. **College Reorganization is the fourth priority of the Council.**

A significant amount of work has been underway. The SBPC believes this work is warranted, important, and should continue to move forward so that URI can be positioned in the higher education competitive marketplace.

**Items missing or underemphasized from AMRC Report:**

1. **Compensation and Merit Pay** – The SBPC recognized that URI compensation is significantly lagging beyond our peers at all levels within the institution. While this is certainly a financial issue for individuals and the institution, it is also a critical issue relevant to morale, retention, and perhaps engagement within the URI community.

Specific issues raised in the context of this discussion were:

- Consistency in standards and how they are applied
- Compensation issues for both faculty and staff
- Consideration for reintroduction of merit pay.
- Longer range view around compensation for new hires, morale for productive workers, and retention.
- Performance management or lack thereof; annual evaluators; it is a tool for the manager and informs employee of where work is outstanding and needed areas for improvement; tool for staff mentoring, morale; educational component needed.
- A reward and professional development system needs to be instituted to both help develop staff and faculty and support them

2. **Revenue Generation (non-tuition and fee).**

The Council found that the revenue generating recommendations in the AMRC Report did not elucidate recommendations on a larger more impactful scale. We suggest that a (small) group with external participants be convened to discuss potential new revenue streams of a larger more influential scale. These should be of a higher global level that might explore further new possibilities upon which the university might commit to over the long term, with business models that reflect ongoing revenue generation and potential, (such as projects like the exploration of a retirement village, research park, main street business area, etc.). Although such ideas have been vetted in the past, there has been no follow up, strategic planning, or development of possible business models for such ideas. These may be missed opportunities for the University, if such projects or large-scale endeavors are not strategically considered for the University’s future.

C: Anne Marie Coleman, Chair, AMRC