

HUMANE

Heads of University Management & Administration Network in Europe

SEMINAR

Human Resource Management

University of Iceland: Reykjavik

9-10 June 2000

Human Resources Policy of the University of Iceland

Edda Magnusdottir, University of Iceland

Edda noted that the Human Resources (HR) policy of the University of Iceland is based in part on legislation, regulations and agreements about employee–employer relations, such as general legislation concerning tertiary education, the University of Iceland Act, the Statutory Regulation for the University of Iceland, the Rights and Duties of Civil Servants Act, the Administrative Practice Act, the Equal Opportunity Act, the Industrial Agreements Act, and agreements on salaries and conditions of employment. In addition, the HR policy is influenced by the expectations which the University has of its employees and what the employees expect of the University as a place of employment.

The *objectives* of the HR policy were thus to contribute to the fulfilment of the University's tasks, as set out in Article 1 of the University of Iceland Act, and to assist the University in meeting what are deemed to be reasonable expectations of the institution and its employees. The HR policy is thus intended to encourage and inform all members of staff. It describes the intent of the University to be a good place at which to work, where good work is performed by committed, co-operative people, in a spirit of equality, and is intended to ensure the best possible working conditions for employees.

Amongst the general expectations which the University has of all its employees are that they show diligence in their work, responsibility and independence, a willingness to co-operate, and flexibility. Meanwhile employees also have certain expectations, which the University has to meet in order to be able to hire and keep able and interested members of staff. Amongst these are that they are able to take responsibility and participate in general policy making, especially in decisions affecting their own jobs, and that those jobs are safeguarded in so far as possible. Rewards should be fair, and there

should be trust, consideration and sincerity. In addition, the duties and responsibilities of managers should be clear, and staff should have the opportunity to advance educationally and succeed in their work.

Discussion included some interesting reflections on the difference between HR and Personnel functions, and the ways in which the use of these titles for departments could suggest a more or less pro-active approach. Edda explained the level of integration in the elaboration of the policy – the HR policy had been developed by a working group which included Faculty staff, and was then sent to Faculties for discussion. The process had gone on for about two years.

The university also had considerable flexibility – for example, departments could set their own salary levels as long as they could afford them. On the other hand, there seemed to be no clear sanction - beyond withholding of a potential bonus - if staff did not perform to proper levels. (Nordic members pointed out that their culture was less ready than others to think in terms of sanctions!). UK members in particular were surprised to hear that part-time teachers were employed without any formal contract, since there must be effects on quality – but Edda noted that quality was in fact evaluated. For others, it was important that HR policy should be aspirational, going beyond (mere) legislation, since it is precisely in the unlegislated areas that challenges and developments occur.

HRM in the Context of Revised Resource Allocation Models

Michael Gleeson, Trinity College, Dublin

Michael explained that the HE sector in Ireland comprised the universities, the technological colleges/institutes of technology, the teacher training colleges, and a number of non-state-aided private higher education colleges. There were approximately 120,000 students enrolled in State-aided HEIs, of which 69,000 are enrolled in the universities. Some 13,750 of these (20%) were at the University of Dublin, of which Trinity College was the sole constituent college.

In 1990, the Higher Education Authority (the Irish government funding agency) had notified the universities of its intention to introduce a 'unit cost funding' mechanism, and required them to make detailed annual returns. The HEA advised that unit cost data would be a key element in a revised funding mechanism and would be used in setting cost-efficient levels of funding for various academic

subject groupings, thereby determining institutional budgets. The framework was still (2000) in a transition phase between allocation of funds to universities using historical baselines and the full introduction of the unit cost funding mechanism. Over the past five years, Trinity College had had a higher than average level of unit costs, which has resulted in significant reductions in its baseline grant. The grants however, were still provided on a 'block grant' basis. In 1999 the sources of income for TCD had comprised 45% in State grant, 32% in student fees, 17% from research grants and projects, and 6% from other sources.

The introduction of the unit cost system as a funding mechanism had come at a time when the College wished to address a number of issues, notably

1. A very unsatisfactory pay: non-pay ratio (in 1994 this was 77:23).
2. A senior:junior staff ratio of 57:43.
3. A number of senior staff, with retirement age of 70, who had ceased to be academically productive.
4. A policy to increase post-graduate student numbers in certain areas.
5. A need to introduce 'new blood'.
6. A need to maximise income from other sources, including tourism and conferences.
7. A need to review academic and administrative structures.

MG's talk was based on the fact that the College, founded in 1592, is a 'collegiate' institution. This had had a major impact on the way in which issues had been addressed. University culture accorded more respect to academic prowess than to professional managers; HR and strategic planning therefore tended to take a long time. In the case of TCD a review body which had deliberately included sceptics had decided that short, sharp shocks were of limited value, and that a process of information dissemination was needed. A series of presentations had therefore been organised for key groups, often in their own "territory". There had been little friction across the institution because the comparative figures for the Irish HE system had showed the real costs. While he agreed that communication was all-important he also felt that in this type of exercise the message had required more than a professional communicator.

As a result of this Deans had helped in identifying staff for retirement. This had helped the problem of ageing and expensive staff. TCD had used its own pension funds to create or improve pension provision, and had been able to use its own funds to provide for one-off payments. The number of staff applying for early retirement (about 10% of the total) had far exceeded expectations. It had proved possible – and popular – to allow staff to retain their links with the institution after retirement. Posts had been re-filled at a more junior level.

In discussion he agreed that very often there was scope for reductions among technical or support staff. At least one head of Section had been hired with a specific mandate to reduce costs in this area. Meanwhile, special measures had been taken to ensure that the best people stayed. Members with experience of this type of measure pointed out that the first round often produced good results, but that second or subsequent rounds of the exercise were more difficult.

Other differences across Europe were obvious – for example, a German member was surprised that the staff ratio of 70:30 was a problem since he had no problem with 80:20. The level of pension provision was also a source of difference, in that in Germany it was around 75%, while in Ireland it was 66% and in the UK 50%.

“The Italian Job”: Personnel Issues in Italy.

The linked presentations in this session outlined the background context in which colleagues in Italy had adapted to a new culture of change, and included a particular model which was being developed in Turin to deal with Human Resource planning.

Evaluation of the Italian university system: a slowly growing awareness.

Dr Giuliana Zotta Vittur, Scuola Internazionale Superiore de Studi Avanzati, Trieste

Giuliana gave an explanation of how the university system in Italy started to be re-evaluated in 1989, within the context of the universities’ new autonomy. Awareness of the problems connected to this evaluation had grown very slowly – requests for management data had been slow to arrive, and a

100% response from universities was achieved only after a law was passed in 1999, providing for the exclusion from new and increased funding of those Universities who did not communicate their parameters to the National Committee for the Evaluation of the University System. The threat had had the desired effect!

Slowness in the growth of this awareness could be attributed, in her view, to several factors: on the one side the implementation of the principles of autonomy created a large amount of work for the universities, and on the other, the mentality of evaluation did not exist within the university system and, more generally, within the Italian civil service as a whole. In addition, there had been some linguistic ambiguity and arguments over the meaning of words such as “control”, which in its French and Italian forms has the idea of checking as well as dominant power. But gradual change had been possible – for example the law of 1993 which specifically included criteria based on performance. As a result, evaluation of teaching, research and general performance was now possible, and was becoming part of the culture.

Human Resource Control Model (HRCM): The introduction of a new tool of management in recruitment planning.

Dr Pasquale Mastrodomenico, Università degli Studi di Torino

The presentation illustrated the situation of the University of Turin with the Italian context, and then stressed the importance and the attention which must be paid to the recruitment of new staff because decisions can mean a commitment for many years. The HRCM used in Turin could be seen as the final piece of a jigsaw puzzle, allowing managers to plan and to check the evolution of the human resource situation.

The presentation used a number of slides and worked examples, too rich in detail to be included in this text. It allowed various scenarios to be developed, and participants could see the potential benefits in the planning process.

The Role of the Head of Administration in a changing University.

Francesco Savonitto (Università degli Studi di Udine)

The presentation described the position of the *Direttore Amministrativo* after the reform of the higher education system which took place in the previous decade. Although most of the universities' finances came from the State, there was much less dependence on the State. Rather, each University now had its own strategies, goals and resources, with policies carried out by its own management. The *Direttore Amministrativo* was deeply involved in all the previously described changes. But he worked in a scenario where many people influence the decision-making processes and may say "no" at many levels.

Francesco stressed how the role of the *Direttore* had become much more active. Previously he would have been a civil servant with expert knowledge in Law. Recruitment practice thus had to be different from the previous competitive examination, and it was typical to have a three or five-year contract, renewable according to performance. Strategic planning meanwhile remained in the hands of the Rector, who could decide to put in post a new *Direttore* – this was a crucial relationship. The *Direttore* was in charge of all the services which were not teaching and research. His changing role depended on:

- the need for communication (using discussion lists or addressing students)
- entrepreneurial activity (less State money and tuition fees representing about 10% of income)
- organisation and motivational ability.

The problems were complicated by the fact that accommodation services – as in France – were controlled by a regional organisation, while university teaching hospitals were outside the university system. In previous years academics were not allowed to be involved in business, but now such activity was required, and universities like Udine had created a number of companies.

Questions on the three presentations involved the nature of the recruitment process for the *Direttore Amministrativo*. It was explained that different universities have different methods – and speakers agreed that the version which included a committee with academic members was particularly difficult! From this point the discussion led to what was called the innate anti-managerialism of the university community, and discussion of how entrepreneurial behaviour could be encouraged. It was agreed that although the university is not a business, managers must be business-like. It was also observed that the current move towards firm managerial attitudes was in many ways a reaction against previous mis-use of the concepts of collegiality and academic freedom.

The point was also made that in the UK the link between head of administration and academic head was less direct, since the governing body usually had a majority of members from outside the university, and the role of the Secretary was to report to that governing body. Thus there was a triangular relationship between the Chairman of the Board, the Vice-Chancellor (=Rector) and the Secretary (head of administration). It was admitted that this link was more problematic if the Secretary was on a fixed-term contract. It was also recognised that the UK was different from others in this.

Re-structuring the Administration

Antonio Alonso Sánchez, Universidad de Salamanca

Antonio distributed copies of his internal booklet to illustrate his talk. This was based on the premise that the process of Continuous Improvement through the development of Plans of Managerial Performance pre-supposes the progressive establishment of a system of Total Quality Management (TQM) in the Units of Administration.

In order to facilitate the introduction of this system in the Administration at Salamanca, the Gerencia has designed a Strategic Plan of Administration that pursues the modernisation and the improvement of the quality processes. In order to undertake this Plan, and to have it accepted, the Rector had included as part of his election manifesto for the period 1998-2002 the development of a Strategic Planning unit.

Some landmarks which had facilitated the development of this Plan had been:

- the foundation of the “Training Classroom” for the staff of Administration and Services
- encouragement of computerised applications of administration
- the progressive style of learning organization orientated to continuous improvement.
- the development of a technical support team for planning

These and other projects had allowed the establishment of a system of planning and administrative innovation. On the basis of analyses and design of activities made between 1998 and 1999, the Strategic Plan of Administration was elaborated integrating diverse strategies of the administration system. The plan enumerates the mission, objectives and guidelines, as well as the strategic actions to develop.

Antonio developed the methodological principles which allowed his team to articulate the planning and the management tools, together with a note on how these tools or instruments evolved in practice. The mission and vision had come first, and had led on to objectives and action. In any discussion of efficiency and quality improvement the position of the user had been paramount. The aim was to link about 70% of activity to assessed performance.

Discussion centred on the applicability of TQM methods to university life. The feeling was that the system must be modified in some way, even if (as in Salamanca) all staff work with the booklet. The physical dispersion which so often characterises universities was seen as a particular problem as was the different ages of so many buildings even within a single institution. It was pointed out that the system in Salamanca applied to all units, and that the discussion of administration had been made merely for illustration.

Job Classification for the Support Staff of Ghent University

Robert Hoogewijs, Universteit Gent

Robert explained that although the University of Ghent was in the process of developing a new personnel management covering all employee categories, his presentation would be restricted to the support staff. His paper highlighted three projects: (i) job classification, (ii) recruitment and selection, and (iii) induction activities for new personnel, with particular interest in job classification issues.

His introduction set out the general vision underlying the process of change. The changed personnel management policy at Ghent started from the university's strategy and mission, as seen within our operational context. Indeed, it was his belief that modern personnel management should encompass general trends and specific social issues, including the need for a customer-friendly approach, efficiency, deregulation, information and communication. For Ghent University this resulted in a personnel management outlook built around seven essential components: competencies, knowledge management, empowerment, individual development, flexibility, variable remuneration and the development of a high-performance personnel information system.

Robert raised the question of whether a stress on the importance of the individual employee implied a logical movement towards performance-related pay. He agreed strongly with the view expressed in Michael Gleeson's talk that acceptance by staff depended on a good exchange of information.

The University sought to classify the various support jobs into a limited number of categories, according to the added value which they entailed for the University. Through the **job classification**, staff should in future be able to gain a clearer insight into their possible career and the associated wage levels. The process of defining and evaluating jobs involved three crucial stages: *surveys*, *evaluation*, and *classification*. The 1,300 support staff each had to complete a form which required about two hours. The aim was to produce groups of jobs. This idea produced discussion of the subjectivity involved in any such scheme, and of the need for review and appeals procedures.

There was also some surprise that Ghent was acting alone, as opposed to the national systems used in (say) the UK and the Netherlands. In this context UK members noted that the same approach had been behind the Blue book initiative. That attempt at classification had grouped technical staff according to different levels of responsibility and benchmarks, and was still in existence, but over the years the system had been devalued in various ways, not least in what one colleague referred to as the “conspiracy for promotion”. Similarly, in a Dutch university a review had found that some 33% of staff were in posts that were being rewarded above their proper level. *[Note: As a result of the discussion Robert Hoogewijs was able to obtain a copy of the Blue book in order to help the classification process.]*

In addition to his review of job classification, Robert briefly touched upon two other projects. The **outsourcing of recruitment** involved setting recruitment on a more professional footing and contracting it out to a specialised firm. Staff selection should be based on up-to-date methods like assessment centres, behavioural interviewing and modern tests assessing knowledge, skills, attitudes and specific competencies. Finally a smaller project on the new **welcoming policy** aimed at fostering the socialisation process of new staff, in order to lay the groundwork for strong job motivation and a long-term commitment to Ghent University.

Performance Management in University Administration – A Case Study

Steve Cannon, University of Aberdeen

In December 1997 a firm of management consultants had been commissioned to conduct a review of the management and administrative support arrangements in the University of Aberdeen. The subsequent report suggested that the quality and level of support across the

administration was uneven. Administrative services were considered to be distant from the academic community and to be lacking client focus. The overall organisational structure, the report argued, did not group responsibilities and functions in a coherent and consistent manner. Confusion in the academic community about roles and responsibilities at the centre was mirrored by confusion amongst the managers and administrators themselves. All these difficulties had been compounded by an absence of clear lines of reporting, a lack of clarity over strategic and operational responsibilities, and no clear framework for delegating authority.

The University's response to the report had been threefold:

1. To review its organisational structures
2. Establish clear lines of executive responsibility
3. Refocus administrative effort

Steve emphasised that efficient management and administration were not enough in themselves; no amount of administrative reform could compensate for academic performance. It was academic success which determined the reputation of a university. None the less, the administration could facilitate and energise other staff, and need not be reactive. He therefore examined how the focus of the administration was changed from a traditional and largely reactive organisation to a responsive, service-orientated and results-driven organisation that would support and direct all members of the University community to achieve institutional goals.

The administration had redefined its relationship with the academic and student communities and established a series of objectives to support that policy. The Aberdeen plan had published targets such as a commitment to reduce administrative costs by 15%. This had included plans to outsource, and to generate new income. By means of performance management at all levels within the organisation senior management would measure its success in achieving these clearly defined and published objectives.

Report compiled by Trevor Field

Here 'Senior staff' are Professors, Associate Professors and Senior Lecturers; 'junior' are Lecturer grades (salary maximum EUR. 56,077)

The office of the *Gerente*, or General Manager.