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Organizational and management processes strategic change at UNIPD

- <u>Major external forces</u>

- 2010 Reform of the Italian university system

- 2012 Mandatory adoption of accrual accounting for all Italian universities

- From 2010 onward tighter regulations on procurement and occupational security

- From 2009 the legislation has impost severe limitation to the recruitment

- The limitation became very severe from 2012 due to the Italian financial instability

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- At UNIPD

- 2011-2013 from 65 Departments and 13 Schools to 32 Departments

    - Pre 2011

        - Departments in charge of all research activities

        - Schools only teaching activities (Professors hired by Schools)

        - From 72 to 32 head of administrative activities

- 2015 first annual report under the accrual accounting system

- At UNIPD

- 2015 Lowest number of academic staff (2057) | end of 2008: 2396

- 2013 lowest number of administrative staff (2197) | end of 2008: 2327

- <u>Internal forces</u>

- Governance and management characterized by ad hoc solutions

- Resources managed directly by the central administration

- Before 2010: governance equilibrium based on the political power of Schools but after 2012 Schools were weak and Departments too many

    - After 2012: "in search of new equilibrium"

    - A new "equilibrium" emerged and was pivotal in the election of the rector in 2015 (October)

- Diffuse sense of unsatisfaction

    - Toward administrative services (from academic staff)

    - Central administration vs Departments

    - Departments vs Central administration

    - Low level of IT in the administrative processes

    - Example: the head of administrative activities at the departments manage the research funds of each professors using excel: a sheet for each fund of each professor + a sheet for each PhD student

- The Rector decided to have a Prorettore (Vice-Rector) for organization and management processes

- Use the diffuse sense of unsatisfaction to promote a broad change:

  - A new structure of the functional areas of the central management

  - Resources allocation mechanisms to the departments

  - Performance evaluation system

  - Job rotation for top managers and short term job rotation for all admin staff

- Everyone working at UNIPD is involved in teaching, research and public engagement

- Functional areas should be aligned with the strategic view
    - Decrease the fragmentation of management processes
    - Define organizational responsibilities for management processes

- Empower admin staff with short term job rotation

- Deliver services closer as much as possible to end users

- October the first: the new Rector took office

- Mid-November: key ideas and principle presented to the board of directors

- Beginning of December: Definitive strategic plan fro organizational changes presented at all Deans

- Strategic plan approved by the board of directors and academic senate by December

- Contents:

  - Few specific changes

  - The mandate to the general manager to make changes within functional areas

  - System of allowance responsibilities estimation: from personal allowance to allowance responsibility

- IT unit was a self-governing entity within the University reflecting a long tradition of a data center supporting research (the central mainframe)
- IT is pervasive and relates to all activities performed by everyone

- When we discuss the choice to transform the IT unit from a self-governing entity to a functional area supporting not just research but admin processes, one employee said: "This is an acquisition, but what are the expected goal?"
- Similar approach for multimedia and digital services

- Two functional areas (Procurement and Building and construction) instead of only one

- Job rotation of top managers

- Mandate to change the organization within each functional area aiming at:

    - Decreasing the fragmentation of admin processes

    - Having organizational responsibilities for key process

    - Provide opportunities of career advancement

    - Allowance responsibilities no personal allowances
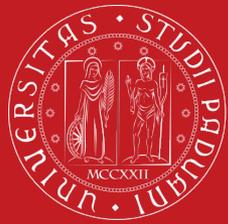
- In 2016 we were able to make the specific organizational changes and top managers job rotation (with frictions)
- Conflicts between the general manager and other top managers

- No other changes occurred
    - The general manager asked to every manager at the top of each functional area to present a plan to change the organization structure of its area
    - In September 2016 we had all plans ready
    - The result was unsatisfactory

- … administrative head of departments send a letter to the Rector complaining about the confusion of the admin and accounting processes

- … beginning of 2016 due to the new accrual accounting system research funds cannot be used by researchers

- … a lawsuit of a manager against the general manager

- … the Rector decided to appoint a new general manager

- … short term job rotation failed: strong opposition of Deans and head of offices

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- The most important goal assigned by the Rector to the general manager for the year 2017 was the organizational change

- Some relevant choices:

    - Job posting open to all admin staff to become head of offices

    - Selection process

    - Skills assessment of top managers

- In 2016 took place a major change in the performance valuation system

- Main ideas

  - Cascading of goals not cascading of valuation

  - Previous approach: cascading of valuation not cascading of goals

  - Performance partially based on the quality of outcome perceived by users

  - Goals linked with relevant activities and tasks

- UNIPD strategic plan

    - Goals not activities and policies that need to be performed

    - This approach was not used before

- Goals assigned coherent with the strategic plan

    - Diffuse managerial responsibility in achieving the strategic plan

- The Strategic plan is responsibility not just of the central management

    - Every department has to develop its own strategic plan for research and public engagement

    - Every department select additional goals from the strategic plan as basis to assign the coherent goals to the head of the admin staff

- To make the performance valuation system working and recognize the importance of the admin head of each department a silent important organizational change took place

  - In the past the Dean of each department has the full responsibilies of all activities carried out and manage directly all members of the admin staff

  - Now the Dean manage directly the head of the admin staff (substance and form reconciled) and staff supporting research activities

  - Allowance responsibility the head of admin at the departments aligned with the head of offices

- Timing is still not correct

- Capturing the customer satisfaction is not easy

- Feedback to each staff member is not fully satisfactory

- Goals are not seen as a coordination mechanism
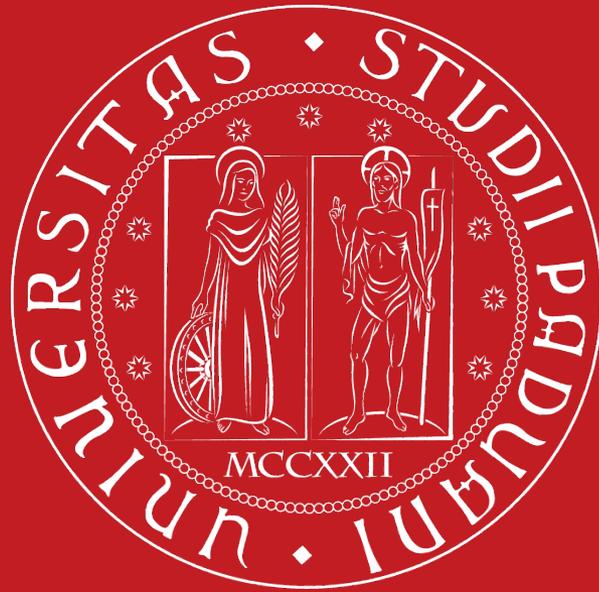
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**Thank you !
Questions
and suggestions**