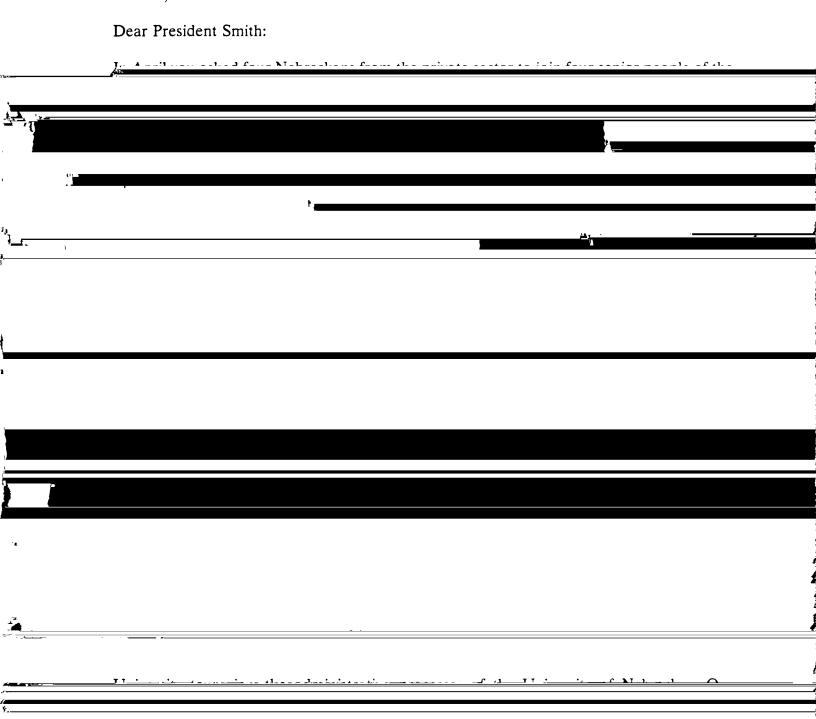# John C. Angle

3800 South 42nd Street • Lincoln, Nebraska 68506 USA • Telephone 402/486-1079

August 25, 1995

L. Dennis Smith, President
University of Nebraska
Lincoln, Nebraska 68583-0745

Dear President Smith:

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We were delighted to discover that planning is a way of life (and source of management
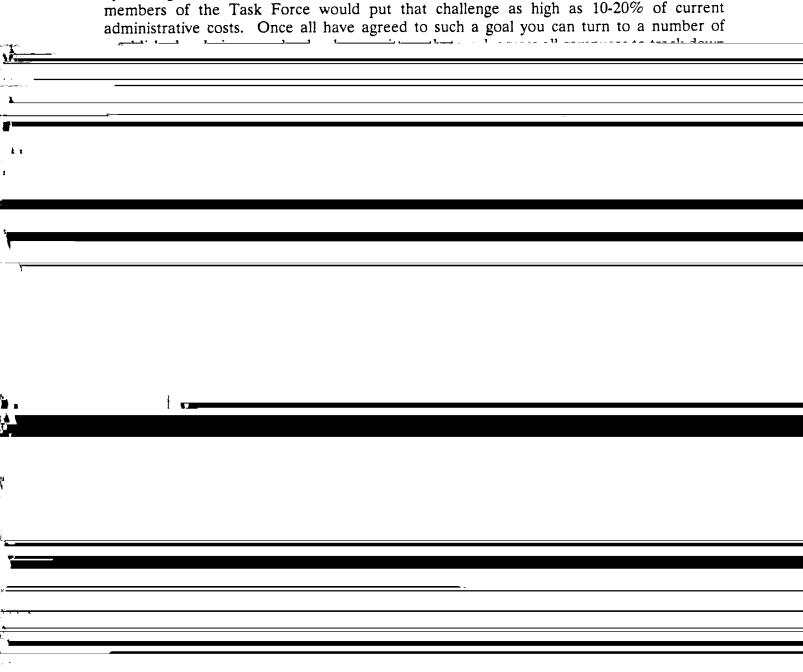
electronic mail. Another cornerstone will have to be that initiatives will have to be self-supporting--either through new revenues or those released by strategic abandonment.

The chancellors generally agree that it is unrealistic to expect future state appropriations to grow by more than 3% a year. Most of us accept this as a reality of the coming era.

I also believe the time has come to end the strategy of beggar-your-neighbor. Let it be retired without honor to the archives.

It will be up to you and the chancellors to set a target for the resources that can be released by strategic abandonment, and more efficient operations and reengineering. Several members of the Task Force would put that challenge as high as 10-20% of current administrative costs. Once all have agreed to such a goal you can turn to a number of

UNIVERSITY OF NEBRASKA

PRESIDENT'S TASK FORCE

ON IMPROVEMENT OF ADMINISTRATIVE PROCESSES

I.   INTRODUCTION

This report summarizes the steps the University of Nebraska can take to realize greater

III. We found a number of barriers that block the introduction of better administrative methods. We will describe each barrier and then tell you our ideas for overcoming the barrier.

A. Barrier(s)

Lingering confusion among senior officers of the University about the concept of "one university" and about the circumstances in which the University will cooperate for the good of all

Recommendation

Reaffirm the one-University governance structure, particularly for leadership and administrative functions.

The Board of Regents reaffirmed its preference for the one-University, strong-President model in the spring of 1993. This structure and management

a dynamic management information system be created, including statistical, financial and subjective measures (see transmittal letter from Chairman Angle). The strategy-making process should capture what the University's leaders learn from all sources (both the soft insights from personal experiences and factual data from research) and then synthesize that learning into a vision...

Burdensome administrative procedures originally designed to "safeguard" public funds; and fragmented efforts at reengineering.

Recommendation

Establish a methodology for reengineering the University's administrative functions on a continuous basis and for improving the organizational structure.

The University of Nebraska has some excellent examples of business process

improvements which have been completed over the recent past. These are to be applauded. But some of these changes have occurred in isolation. What is needed is a methodology and management commitment to carry out business process reengineering on a continuous basis with consideration given

These reengineering studies should:

1. Review the current organizational structures (people, technology,

Contemporary approaches to administrative improvement and performance

management always include a strong element of quantitative measures

In essence, management begins with measurement: things you cannot measure

that should be provided for faculty and staff positions as well as programs.

The University currently has extensive information gained from its participation in a benchmarking project conducted by the National Association of College and University Business Officers. Through these data, and other rationally-determined decisions, baseline ratios and standards should be established for administrative, technical, and capital support for faculty and

The University and others in the public sector struggle with issues of accountability. The answer, it seems, has been to add more layers of oversight. The private sector, which faces equally-tough demands for accountability, has found that better results are obtained from the empowerment of well-trained employees working toward well-defined goals.

to foster a consistent leadership philosophy and to empower employees. As the strategic planning effort results in clearer goals and objectives, the University's management should be held accountable for the achievement of strategic priorities. It is important that these goals be based on team work and that unit as well as individual measurement techniques be developed

We recommend that the University improve its human resource planning and align the human resource plans with overall institutional plans. The University

F.   Barrier(s)

Fragmented management of computing and information technology.

Unify the management of computing and information technology through integrated networking, the articulation of an enterprise information architecture formation of one administrative systems network, and the implementation of state-of-the-art administrative systems.

Information technology is a very powerful tool to be used in serving the institutional missions of teaching, research, service and outreach and for the support and improvement of the University's administrative processes. The University currently has five separate and distinct computing services departments (one on each campus and at central administration); in the past these units have operated under highly autonomous directors and have provided only a slight amount of cooperative planning and decision making. It is understood that the University is currently developing a unified information technology plan for both academic and administrative computing. This plan should include not only information technology but also telecommunications networks which are a crucial part of the University infrastructure.

The potential for the application of technology to the improvement of administrative processes at the University of Nebraska is tremendous. However, fragmented efforts, duplicative processes, divergent goals, and conflicting objectives result in wasted resources. The unification of this effort and the development of clear strategic plans for meeting the University's computing needs should receive the highest possible priority for planning at the University. These systems should leverage information technology for customer service, better decision making, and streamlined processes. Information technology should play a key role in the business process reengineering methodology. It is essential, however, that the University not automate existing work processes, but redesign them using the capabilities of

G.   Barrier(s)

A "do it in-house" tendency in business operations which has increased the size of internal support functions.

Consider more outsourcing of business and support services and investigate more partnership opportunities with private industry as well as with other universities and governmental entities.

The University has several good examples of outsourcing including the stockless inventory programs, private management of bookstores, food service contracts and so forth. We applaud these efforts and recommend continued

emphasis on evaluating opportunities for achieving new levels of service and efficiency through contracting for services and through more consolidated purchasing.   A simple example of this latter point was noted in the outsourcing of food service contracts where each of the four campuses bid