Strategic Human Resources Issues in Higher Education
A Dialogue between CUPA-HR and THEHRA

June 7, 2010
TEXAS HIGHER EDUCATION HUMAN RESOURCES ASSOCIATION
2010 Summer Conference
Presentation’s Focus

Strategic Action

- Trends in Higher Education
- Workforce Trends in Higher Education
- HR Trends in Higher Education

Strategic Outcomes

June 7, 2010
Trends in Higher Education
Trends in Higher Education: Demographics

• During 2000-2010, American students enrolled in Canadian universities more than doubled to nearly 10,000:
  – US share of all students dropped from 29% in 1970 to 12% in 2006.
  – US issued 25% fewer visas to Indian students.

• High unemployment = increased enrollment:
  – More students opting for public and community college participation.
  – Increased enrollment of age 25 and older at higher rate than traditional-age students through at least 2015.
  – Shift from 4-year to 2-year institutions increases more quickly than predicted.
Trends in Higher Education: Economics

• Loss of scholarship programs, lack of job options, increased tuition:
  – Parental college funds reduced in value.
  – Cut back of private foundation & community supported scholarships.

• Reduced funding:
  – 42 states were forced to reduce 2009 & 2010 budgets.
  – Space management concerns related to reduced new construction.

• Some ask if higher ed will be the next ‘bubble’ to burst:
  – Higher Education Price Index outpaces Consumer Price Index.
  – Over 25 years, average college tuition and fees have risen 440% (more than 4 xs rate of inflation and almost 2 xs rate of healthcare costs.)
Trends in Higher Education: Politics

- **New administration pushing for changes.**
  - Moving to end bank-based, federally guaranteed loans = time and money needed to ensure effective financial aid software systems and processes.

- **Healthcare changes impact higher education:**
  - Hoped for healthcare cost reductions for non-profits didn’t materialize.
  - More institutions requiring students purchase student health insurance regardless of other coverage.

- **Teaching assessment and learning achievement standards:**
  - State systems don’t have common standards for what should be learned.
Trends in Higher Education: Technology

• **IT security on campus faces many challenges:**
  - In 2007, 49% of data breaches on US campuses resulted from lost or stolen (unencrypted) laptops and portable media.
  - Between 2005 & 2007, over 300 security breaches based on unauthorized access from inside the institution (most common) to accidental online exposure to stolen laptops.
  - Changing faculty, staff & student behaviors as it is these groups who are more likely to introduce viruses, botnets and other alien programs into campus systems.

• **Maintain IT investing strategies**
  - Increased IT spending while the rest of campus faces reductions.
Workforce Trends in Higher Education
Workforce Trends in Higher Education

- Increase in ‘recessionary disengagement’ – concerns about job security negatively impact productivity, innovation, service and retention.
- Alteration of wellness programs = healthcare cost reductions.
- Initiating/Continuing cutbacks = optimizing workforces, eliminating redundancies, re-engineering processes.
- Increased use of flex time and telecommuting opportunities.
- Cancellation of reward programs as cost cutting measure.
Workforce Trends in Higher Education (con’t)

• Earlier and increased turnover, particularly as the job market improves.
• Older worker retirements and attempts to retain them.
• Heightened scrutiny by regulatory entities, e.g., IRS examining employees vs. independent contractors.
• Increasing ‘engagement’ = increased productivity, retention, satisfaction and financial success.
• Workforce program update/re-design requiring HR expertise.
HR Trends in Higher Education

• **Economic**
  - Faculty and administrative employees median pay increase = 0.
    - Decreased annual compensation due to state or institutional mandated furloughs.
  - No performance/merit increases reported by over 67% of institutions.
  - 30% increased healthcare co-pay, deductibles, premiums for employees.
  - Reduced morale and engagement due to furloughs, layoffs, cost cutting.

• **Legislative & Regulatory**
  - Healthcare reform impact on institutions, employees and retirees.
  - Increased recordkeeping/oversight – FMLA, ADA, EO/AA, IRS, DOL, etc.
Strategic HR Planning and How We Get There

Strategic Action

Strategic Outcomes

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Strategic Planning in Economic Volatility

Implications for HR Planning

- Integration with ‘the business’ more critical.
- Increased monitoring frequency of HR plan.
- Current HR plans may be ineffective in meeting changing business goals.

Shelf Life of Strategic Plans

- Loses decision-making value requiring revisiting at least once per year.
- Loses decision-making value within 2 months necessitating frequent updates and revisions.
4 Challenges to HR Strategic Planning

1. Understanding the Institution’s Strategy
   • Understand short- and long-term institutional strategy.
   • Identify critical workforce capabilities needed to support strategy.

2. Translating Institution Strategy into HR Strategy
   • Understand workforce success metrics associated with strategy.
   • Identify connectivity between workforce functions and programs.

3. Obtaining Buy-In from the Institution
   • Build compelling business case for strategy and budget.
   • Customize and communicate strategic plan to stakeholders.

4. Adapting Strategy as Institutional Conditions Change
   • Create/Implement tools to measure workforce strategic plan success over time.
   • Create/Implement clear framework for adapting strategy as needed.
Critical Business Priorities

Sr. Execs Rating Top Trends Impacting Business over Next 5 Years

- Competition for Talent to Intensify & Go Global
- Technological Connectivity Increases
- Economic Activity Shifting Globally & Regionally
- Information Access Changing Economics of Knowledge
- Increased Demand for Natural Resources

HR enables the institution to identify and respond to functional & talent risks that inhibit succession execution.
A Case of Strategic HR Planning
A Case in Point

University of Texas Health Science Center at San Antonio (UTHSCSA)

2007 Strategy: UTHSCSA wanted its workforce* paid market competitively.

- What are UTHSCSA’s workforce markets?
  - Academic, Research, Clinical, Business, Service, Private & Non-Profit, Local to National

- How does UTHSCSA’s workforce compare to talent in key labor markets?
  - Long term employees
  - Undereducated
  - Entitlement workforce culture
  - Under-developed management
  - Non-engaged staff
  - Legacy processes/systems

- What challenges UTHSCSA’s achievement of strategic goal?
  - State of Texas institution
  - Legislatively determined resources
  - Ability to change/adapt

- What are key workforce program deliverables to achieve strategic outcomes?
  - Accurate external market data
  - Transparent market comparisons
  - Engage, measure, recognize and reward workforce performance, productivity and achievement
  - Local workforce availability – build or buy?
  - Evolution to an empowered workforce culture

*non-faculty
HR Solutions

University of Texas Health Science Center at San Antonio (UTHSCSA)

- Transparent market comparisons
- Resources
- Local workforce availability
- Research

- External Market Job Titles
- External Market Salary Data
- New Job Classification System (2010)
- Career Development Classification Pathways
- Staff & Management Market-Referenced Orientation & Training

- Accurate data
- Technology
- Empowered workforce culture
- Presence
HR Planned Strategies

New Performance Management Program
Grow/Buy Training & Development Programs
Mentoring & Succession Planning Programs
Innovative Reward & Recognition Programs

Engage/Measure/Recognize/Reward workforce performance, productivity and achievement (FY2011 – 2020)
Key Contributors

University of Texas Health Science Center at San Antonio (UTHSCSA)

• Colleges & Universities Professional Association for Human Resources (CUPA-HR)
• National Association of Colleges & Universities Business Officers (NACUBO)
• Society for Human Resource Management (SHRM)
• WorldatWork – The Total Rewards Association
• American Society for Training & Development (ASTD)
• San Antonio Compensation Association (SACA)
Key Contributors to Our Success

Strategic Action

Strategic Outcomes
Our Professional Associations

• A group of people who voluntarily come together to solve common problems, meet common needs and accomplish common goals.

• What makes Associations unique is that the same populations are:
  • the owners,
  • the customers, and
  • the workforce of the organization
Our Professional Associations

**Operations & Activities** – The majority of the Board’s work is comprised of actually doing the frontline operational work of the association because Board members are also association's volunteers.

**Management & Operations** – The Board spends most of its time managing association operations but also serves as the actual workforce for certain administrative or programmatic operations.

**Management** – The majority of the Board’s work is comprised of managing association operations including planning, organizing, directing, supervising, and evaluating operations.

**Strategy, Policy & Management** – Most Board work is focused on strategy and policy but also includes some high-level management functions.

**Vision, Strategy & Policy** – All Board work is focused on the strategic, long-term direction of the association including external scanning, foal and strategy development, and overall evaluation and accountability.
Higher Education HR Associations Issues

• Ensure stability of Association infrastructure, e.g., association staff compensation & rewards; pipeline of effective volunteer leadership.
• If required, staff reductions must be strategic/preserving core services.
• Continue focus on innovation and use of technology, remaining contemporary in programs, service delivery, tools and opportunities.
• Maintain variety of communication and networking with membership.
• Deliver opportunities for development/engagement of volunteer leaders.
• Continue diversifying revenue streams with decreased reliance on dues income.
• Continue strengthening partnerships with other associations and vendors while remaining responsive to membership needs.
Thoughts / Questions / Opinions
Contributors to this Presentation

- Colleges & Universities Professional Association for Human Resources (CUPA-HR)
- Council of Higher Education Management Associations (CHEMA)
- Society for College and University Planning (SCUP)
- American Society of Association Executives (ASAE)
- Council for the Advancement of Standards in Higher Education (CAS)
- National Association of College and University Business Officers (NACUBO)
- National Consortium for Continuous Improvement in Higher Education (NCCI)
- Society for Human Resource Management (SHRM)
- WorldatWork – The Total Rewards Association

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