

Part 5: Institution



Institutional governance, academic and administrative processes, resource acquisition, management and administration are less visible than the concerns addressed in the previous sections, but they are every bit as important. The choices we make about these unseen elements, which underpin all our activities, will determine whether UIC is viewed as an inefficient bureaucracy or as a professional organization; as a place to experience mediocrity or as a center of excellence. The strategic thinking process is an opportunity to examine and revise the inner workings of the institution, make them as efficient and effective as they can be and ensure that they support our mission, vision and values.

We hold the university’s past accomplishments in high regard. UIC has changed radically in the two decades since its creation: it has been transformed from a commuter campus to a campus with a lively resident student community; from a university with \$20 million in federally financed research and development to a top-50 research university with more than \$250 million in R&D funding. Yet, UIC’s support and administrative structures have not kept pace with its rising level of academic achievement and the growing needs and expectations of the campus. In this section we will speak of some current issues that should be immediately addressed, along with the broader strategic issues: understanding and resolving the root causes of current problems, and creating an administrative and operational infrastructure that helps us realize our vision.

**Governance**  
**In 2010, UIC governance will support the institution’s vision, mission and values.**

As the committee met with members of the campus community, two overarching issues with serious implications for UIC’s governance—that is, the making and administration of policy—became clear. The first concerns the tension between UIC’s traditional activities and its explosively growing research and entrepreneurial activities. The second concerns the demands of collaborative and interdisciplinary work.









### **Responsibility**

*As UIC's future unfolds, we will maintain a clear sense of what is required to ensure that there is quality and integrity in all that we accomplish. Our administrative leadership will continue to act out of an institutional sense of what is required to responsibly carry out our vision and mission rather than, for example, merely responding to federal, state and local mandates. Administrative staff will carry out duties based on a foundation of professional education, experience, and expertise, and a continued commitment to professional development. UIC's faculty will carry out research and service with thoughtful consideration of the way in which others influence—and are influenced by—their work. The faculty will also prepare advanced students to enter their professions as highly skilled colleagues. Students will be prepared to become fully contributing citizens in our society.*



### New Research and Entrepreneurial Activities

Some background on this first issue: UIC is subject to a complex set of administrative, reporting and regulatory lines, including a Board of Trustees, a centralized university administration, the State Board of Higher Education and numerous federal authorities. Each of these imposes requirements and procedures that are reasonable on their own, but often produce complications and inertia when coupled with one another or with partnership agreements with city, state or private entities. A more than ten-fold increase in funded research at UIC, plus increased federal regulation (such as that surrounding human subjects and disclosure of patient information) have further challenged us to develop and administer appropriate policies.

As the profile of our activities changes, so also does the profile of funding that supports these activities. Over the past two decades we have seen a relative decrease in direct state support. There is an unwritten assumption that we need to offset this decrease with revenues from other sources—but from where? For example, the seemingly simple expedient of continuing to raise tuition strikes at the heart of our mission by reducing access, unless it is coupled with increased institutional financial aid—which, in turn, reduces the gains from the tuition increase. On the other hand, operating with reduced funding impairs our ability to maintain excellence. Within this context, faculty and staff are compelled to attract new financial resources. Indeed, the last two decades have brought an increase in revenues from federal research funding, private sources and entrepreneurial ventures. These external sources have brought additional responsibilities and controls, along with new questions. For example, in a world of decentralized funding opportunities, what are the decision rights of our deans, faculty and researchers, and how are they to be held accountable for their decisions?

Across the campus, the committee heard concerns that the weighty requirements and protocols of our traditional governance structure are barriers to funding from non-traditional sources. First, approval processes can be extremely slow. Second, there is concern that we are trying to fit new ventures into a reporting structure that was designed to support very different activities. The result has been a dramatic growth in demands on our time and resources—and limitations on our progress.

The UIC of 2010 requires a more flexible, responsive, and accountable form of governance at both the system and the campus level. At the system level, UIC needs to operate more independently, making its own choices wherever possible and leaving to the system those institutional functions that are best centralized. At the campus level, decision-making, reporting and review processes should occur as close as possible to “ground level,” where people have the best information and understanding of the situation. This means more delegation of both responsibility and authority so that academic and administrative units can respond quickly to opportunities. The deans and directors need to be empowered to take advantage of opportunities without the need for unnecessary multi-level review of each new initiative. Of course, these actions must be consistent with professional and disciplinary standards, as well as the mission and strategic goals of the institution.





The consequences of the current and probable future fiscal environment are that UIC will progressively act much more like a private institution. We are not a state-supported institution but rather a state-assisted institution. That means we need to respond much more nimbly to the academic marketplace and nurture academic entrepreneurial activities, including the development of educational programs that serve emerging needs. UIC will need to price specialized offerings to at least recover costs and, where possible, generate new revenue for use elsewhere. Tuition must be regularly compared to the marketplace to assure that, while maintaining our core value of access, we are making appropriate adjustments to secure our financial future.

We should begin by examining successful university governance models, especially those in which individual campuses have more flexibility to respond to their particular environments and needs. The University of California system may be one such model.

### 2010 Research Agenda

*This committee has not attempted to define a UIC research agenda for two very pragmatic reasons: (i) research is and should be very much a “bottom up” process driven by our faculty and, (ii) research frontiers are changing rapidly, and the most important research directions should not be predicted by this committee alone. Nevertheless, there are institutional strategies that can be employed to ensure that research at UIC continues to flourish and grow. As we have said, the new knowledge exists at the boundaries of current knowledge, defined both by the frontiers of disciplines and the interfaces between disciplines. UIC must recognize that major opportunities exist in both these dimensions and are underpinned by the specifics of our makeup and location. UIC must also recognize that for these opportunities to be realized, the structure and processes of our institution must support them. For example, funding for the Campus Research Board has been cannibalized to maintain essential regulatory and research support operations. This dramatically decreases the funding for new faculty ideas, and can be likened to ‘eating our seed corn.’ Operational barriers have arisen to inhibit collaboration and make it much more difficult to carry out routine tasks needed to support research. The frontiers of research are very competitive, and poor support inevitably compromises faculty research efforts. The faculty, students and staff at UIC are more than capable of the thought and work necessary to create, share and apply the knowledge that will define UIC as a model public university and a great urban institution—they deserve support of the same quality.*



### **Collaborative and Interdisciplinary Work**

The second major issue similarly reflects a need for governance to grow with our mission. In concert with work at the frontiers of disciplines, we increasingly value new kinds of work: scholarship at the interfaces between disciplines, and work that combines basic research and practice. Our present governance structure, however, reinforces single-discipline silos, encourages colleges and administrative units to operate independently and inadvertently creates barriers to collaborative work. In this case, it is the multiple requirements within the campus that conspire to restrict progress, stifling ventures that are already challenging in their own right. As we move to develop our collaborative and interdisciplinary work, the key will be an integrated campus governance—and incentive structures that support one campus with common aspirations and values. This will require a culture change which is then supported by improved infrastructure. One way to accomplish both of these is to establish several prototype programs to model the process.

In these prototype programs, cross disciplinary opportunities should be identified, infrastructure needs analyzed and incentives created that focus on the execution of key collaborative interdisciplinary projects. In 2010, collaborative and interdisciplinary projects will have improved support mechanisms, and our governance model will provide for oversight, infrastructure and incentives for these innovative projects and programs. This approach will encourage the bringing together of all the essential people, resources and functions, from human resources to grant development to physical facilities. In addition, we should incorporate a new reward structure for matters like promotion and tenure in a way that supports innovative collaborative efforts.

### **Processes and Infrastructure**

**In 2010, administrative processes and infrastructure operations will be reengineered to effectively and efficiently support the core functions of UIC and the operation of the university as one integrated campus.**

#### **Specifically:**

**Business office support operations, particularly human resources transactions, will meet best practice standards.**

**Research support infrastructure will provide accurate and timely response to the needs of sponsored research.**

**Physical facility management and maintenance will meet best practice standards.**







As a result of budget reductions over the past few years, UIC is now a university with fewer tenure track faculty and staff serving a larger student body. Most academic units have been stretched to carry out all of their previous and expanding responsibilities with diminished resources, sometimes resulting in lower-quality performance. Like any family with diminished resources, the UIC family must necessarily prioritize its activities, eliminate those that are least essential, and focus its resources on the activities that are most central to its mission and the realization of its promise.

We believe this is best accomplished at the point closest to the delivery of service—typically the college and department level. These units best know the quality and value of their own endeavors and, in conjunction with professional or disciplinary external review, can best determine which are most likely to yield high returns to their central missions. Such empowerment of course carries with it the clear responsibility to act in support of the mission and strategic goals of UIC.

The same conditions exist for campus administrative units. They, too, should evaluate the performance of their administrative and support operations and decide, for example, whether some operations would be more effective if they were outsourced.

Constrained resources are not the only factors affecting institutional processes and infrastructure. The transformative changes described in Appendix I have been accompanied by only incremental changes in academic and administrative processes. We must make our operations substantially more efficient, re-engineering key processes that fundamentally affect the functioning and identity of UIC and bringing their performance on par with best-practice models in education, business, government and the not-for-profit sector.

To reach these goals, we will have to eliminate the detritus of our long history of incremental changes and rethink our administrative processes in a new context. The changes we make will be substantive and often difficult, and some may take years. Success will require clear alignment and a consistent push from champions at the Board of Trustees and among senior administrators, faculty and academic professionals. Creating operating plans with clear accountability and responsibility for specific process improvements will help us establish a strong commitment throughout the institution.

Although the function of the 2010 Committee is strategic, there are several specific issues requiring resolution, both in the present and at their root, that will otherwise undermine our long-range planning. These issues concern business office support operations, research support infrastructure and physical facility management and maintenance.



### Business Office Support Operations

In our highly competitive and cost-conscious environment, an efficient, user-friendly enterprise software system is a critical corporate asset. Unfortunately, our current business operations, particularly those that deal with human resources, are the most complex and error-prone processes in the UIC infrastructure. A new enterprise software system that was intended to make information more accessible has instead made operations enormously more complex, time-consuming, costly and stressful to staff.

It does not have to be this way. In the past, a relatively limited but effective infrastructure enabled faculty to raise UIC to its current stature in research and scholarship. Now that we are a major research institution operating in a time of decreasing resources, our business operations cannot be handicapped by poorly implemented software systems. To achieve the institutional vision of UIC in 2010, it is imperative that we resolve these issues quickly.

### Critical Issue: Operations

The UI central administration replaced a collection of independently developed software support systems for business operations and human resource management with a single, integrated enterprise resource planning system, SCT-Banner. The rationale for this move was quite logical, in moving to a new software system that would provide ready access to system-wide information without manually assembling reports from diverse systems. However, the implementation was apparently not adequately validated and has multiple flaws. HR processing serves as a particularly good example. On a continuing basis after transition, the process for new and continuing personnel appointments has become enormously more complex, requiring much greater staff expertise to execute without error. The process is now much more time consuming, and process transparency for tracking status has been lost. Depending on the type of unit, this is resulting in 50–100% increased costs for business operations support at the unit level to maintain equivalent levels of service. By 2010, UIC will work to resolve such operation issues and inefficiencies by adopting relevant models of best practice.

M E D I C I N E



### Research Support Infrastructure

With the astonishing growth in UIC's external research funding has come an equal increase in the volume of research proposals that need to be checked and submitted, and grant and contract awards that need to be effectively managed; meanwhile, staffing of these functions has stayed flat or decreased. While computer technology has improved efficiency to some degree, it does not compensate for the increased workload. The result has been delayed approvals, lost documents and an array of processing difficulties. Furthermore, the need to maintain staff levels has meant budget cuts elsewhere—including severe cuts in the Campus Research Board, which provides start-up funding for new areas of faculty research; these cuts mean fewer opportunities for faculty development. To address these concerns, we must compare our current operations with best practices at other top research institutions, determine the mix of technology and personnel we need to provide effective support, and allocate the resources to provide that support.

Another issue in research support is coordination. The Grants and Contracts operation, while closely connected to the Office of the Vice Chancellor for Research, is managed as part of the Office of Business Affairs. Coordination between the two offices has improved significantly over the past few years, but disconnects remain, particularly in the processing of complex grant awards and in the negotiation of contracts, which sometimes takes so long that the sponsor goes elsewhere. Resolving the delays takes substantial faculty and staff time and hinders the funded research. Here too, we should review best practices and implement a more efficient system for managing contract negotiations.



### **Critical Issue: Research Support**

*UIC has solved many of the problems that precipitated the suspension of human subject research in 1999. In fact, for many human subject researchers, current procedures are working well. Even so, in its meetings with various colleges, the 2010 committee heard serious concerns about the Institutional Review Boards (IRBs), especially their treatment of protocols describing engaged community research that is most consistent with the university's mission and values. These problems have been cited as contributing to the loss of significant funding, lowered faculty productivity, and to some faculty leaving UIC. It is possible that UIC's successes since 1999 have fed a complacency to current problems, which have been suggested to be products of over-reaction to the 1999 events. Specifically, the most frequent complaint is that UIC is holding its researchers to far stricter standards of review than most if not all other universities and colleges in the nation, particularly in some areas of social research. Our forms and processes are perceived to be more cumbersome, and the questions raised by the IRB members are sometimes perceived to be unrelated to ethical concerns or simply unreasonable. These issues should be evaluated by comparing our processes to those at other highly respected institutions, and any appropriate corrections initiated.*

### **Physical Facility Management and Maintenance**

In the environment section of this document we discussed the inadequate support for physical plant maintenance. When breakdowns occur, deferred maintenance compounds the problem. The terms of state-negotiated contracts and other practices can also delay maintenance and repairs. Poor maintenance results in lost work time for faculty, staff and students, lowering the overall performance of the institution.

In addition to increasing resources for maintenance operations, UIC should look to pursue the most efficient and cost-effective strategies for managing its physical plant, including the possibility of managing routine maintenance through stable contracts with outside vendors.

### **Resources and Development**

**In 2010, a broader funding base will reduce the impact of shortfalls in any one source.**

The resource profile of UIC has changed dramatically over the past 20 years. We need to acknowledge such change, assess the trajectory of future change and embrace a plan for acquiring and managing the resources we will need to achieve our vision, mission and mandates.

As we have noted before in this report, UIC now gets a smaller proportion of its revenue from the state, and much more from federal research funding, private sources and entrepreneurial ventures. It is essential that we revamp or replace the slow and no-longer-appropriate protocols that make it difficult to acquire and use these new resources.

At the same time, we must ensure that our reliance on new funding sources does not undermine, and indeed supports, UIC's mission and state mandates. Most funding comes with a requirement that it be appropriated to specific functions. Without a clear "big picture" understanding of the relationship between funding, mission and mandates, we run the risk of allowing the funding sources to determine our mission and thus neglect our mandates. For example, the inappropriate use of overhead costs has often been problematic at other institutions, and in some cases grants requiring broader institutional resources did not carry overhead reimbursement, presenting a drain on other institutional resources.

A clear picture of the relationship between funding and mission, and an understanding of when the state-mandated portion of our mission is under-funded by the state, will also help our lobbying and overall development efforts. We must develop mechanisms for clearly and emphatically communicating our situation and our contributions to the state's economy to state legislators, interest groups, the business community and alumni in order to garner their support.





Development efforts should be integrated at all levels of the university. This calls for an aggressive, campus-wide partnership among staff in college and campus development offices to ensure that all are aware of the needs of the institution and can creatively and effectively match needs with donors. Non-development staff should also understand development priorities and procedures so that responsibilities are clearly defined and opportunities are not lost.

We need to recognize that development does not begin and end with traditional fund-raising activities. We also create development prospects when we open career opportunities for students, entrepreneurial ventures for researchers, and more. We can build on these activities and on the relative youth of UIC. As our alumni pool matures, and as we build stronger relationships with the institutions and businesses that benefit from the university, our development potential will grow. It is crucial that we build the appropriate development infrastructure now in order to capture these opportunities.

Whatever the size and sources of our future revenue profile, UIC must use its precious resources wisely and ensure that our stakeholders see a campus that is worthy of their investment.