

Unit Name: HUMAN RESOURCES

- 1. Academic Units:** Please provide a 1-2 page description of how your unit will fund growth plans identified in the Annual Academic Plan workbook through current or anticipated incremental revenue to your unit. Please provide specific fund source names and projections (in dollars). If these plans assume additional Provost Reinvestment Funds (supplement), please make that clear in this section.
-

N/A

- 2. Academic Units:** If you are recommending the creation of a new tuition category, please identify the original tuition category, the proposed category, a suggested tuition rate for FY14 and a percentage increase for FY15. If you plan to move only a subset of your programs into a new category, please identify those programs.
-

N/A

- 3. Administrative Units:** Please provide a 1-2 page overview of your current strategic plan and include a summary of any operational risks that the UW must work to mitigate over time. Note that there are very few Provost Reinvestment Funds, so your summary should provide a clear sense of how your unit intends to minimize risk, maximize service, and if necessary, repurpose existing funds to do so.
-

As we approach the final year of UWHR's 2011-2013 strategic plan (www.uw.edu/admin/hr/abouthr/docs/strategymap.pdf), we are well immersed in our organization's four strategic priorities, which are to:

- Foster institutional excellence by cultivating and exemplifying HR leadership;
- Support leaders at all levels in effectively managing their teams;
- Provide full cycle talent management expertise; and
- Gain operational efficiencies.

As an organization, UWHR has stretched its creativity and leveraged all available resources in order to bring several high-priority projects related to these strategic priorities to completion this past year. Notable accomplishments with institutional impact include:

- Labor Relations successfully concluded negotiations for seven new bargaining agreements and one rollover agreement. Agreements with SEIU 1199 and AFT are still being negotiated.
- The development of an institution-wide, national pre-employment background check program for staff in security/safety sensitive positions. (Tentative completion 2/1/13)

- UWHR's Business Process Redesign & Automation Project produced several new online tools for HR, clients, and employees, bringing improved compliance and customer satisfaction to the temporary employment hiring, benefits administration, and hours monitoring processes.
- Significant plan enhancements for the UW Retirement Plan and the Voluntary Investment Program are now in place including aligning the structure of the two plans, introducing Fidelity as master administrator, and implementing a four-tier investment structure.

Identifying and reducing operational risks related to the institution's workforce is a core responsibility of Human Resources. Outlined below are operational risks we are concerned with at an institutional level and for our own organization. They will be discussed in greater detail at our annual budget meeting with the Provost.

INSTITUTIONAL-LEVEL RISKS

UW Climate: Four years of budget reductions and salary restrictions have resulted in several critical HR issues including employee retention, employee engagement, salary compression, and an increasingly difficult labor environment in which Unfair Labor Practice (ULP) complaints, arbitration, mediation, and PERC and superior court hearings are steadily rising, all of which require significant staff time and effort to address. In addition, there are continued organization efforts by unions.

UW Medicine: The growth and development of UW Medicine brings complex human resources related risks. Charting the HR framework for this new and evolving enterprise will take significant HR leadership attention over the next several years. As new relationships are forged with the diverse organizations and employee populations under the UW Medicine umbrella, we will need to resolve staffing, benefits, and labor relations issues in order to integrate a complex health care system into one.

ORGANIZATIONAL-LEVEL RISKS

An Under-Resourced UWHR: Like most departments, UWHR looks very different than it did four years ago. We have lost over 30 FTE to budget reductions. Our senior HR consultants, responsible for day-to-day employee relations throughout the UW, are being lured away with 20%-30% salary increases. The marketplace for senior level HR professionals is increasingly competitive and we lose candidates for these mission-critical positions due to salary.

Additionally, while we look forward to the implementation of a new HR/Payroll system in the next 5 – 7 years, we struggle with fewer staff in areas like Benefits and Compensation that require a high degree of manual review and data processing just to maintain our current fragile systems and processes. As we await modernization, state and federal rules increase in number and complexity while agency oversight is heightened, resulting in greater risk of noncompliance and steep fines.

While UWHR has lost headcount, our workload has been rapidly changing. From the time required for intensive project work on the HR/Payroll project, to a more tumultuous labor environment, and the strategic HR leadership support required by UW Medicine, UWHR is busier than ever.

When we lost headcount, we were determined to practice our own advice of “doing less, with less.” But system shortcomings, client needs, and institutional compliance have the UWHR team doing more than it has ever done. In order to keep up, a culture of multi-tasking has flourished, which does not meld well in compliance-driven practice areas that require a high level of manual and careful effort in order to comply with the myriad of policies, laws, and bargaining agreements that govern our workforce practices. As we strive to maintain compliance and satisfactory client service levels, UWHR staff stretched beyond capacity.

Information Requests: The volume and complexity public records requests and union information requests fulfilled by UWHR have increased dramatically in recent years. During the budget crisis, we developed an interim plan to centralize and triage such requests under my office and use existing staff in HRIS to gather and analyze data. While I created the HRIS team to aid UWHR in streamlining service delivery and meeting customers’ HR data needs, their skills are increasingly diverted to this non-core but time-sensitive, compliance driven work.

- 4. Academic and Administrative Units:** Considering your strategic plans (particularly if they assume growth) please provide a short summary (1-2 pages at most) that relates these plans to your current space assignment. In particular, you might consider the following questions when drafting your response:
- Does your current space inventory meet current programmatic requirements? Contrarily, does the type or quality of the space place any constraints on your ability to meet program requirements? If not, please provide specific quality or space type concerns (location, specific quality concern, etc.).
 - Will your unit be able to accommodate your growth plans within existing inventory of space? If additional space will be necessary, please describe the amount, type, or quality of *additional* space you may need to meet programmatic objectives and growth plans.
-

UWHR has been working with the Office of Planning & Budgeting to secure permanent space for the HR units currently located in Condon Hall. Those units include: VP Human Resources Office, Labor Relations, HR Administration, HR Information Systems, HR Marketing and Communications, Disability Services Office, and the Violence Prevention and Response Program.

We have been assured by OPB that our space requirements are included in the Provost’s space management database and will be acted upon when appropriate space is available in UW Tower.

- 5. Academic and Administrative Units:** Should the 2013 Legislature lift the ongoing salary freeze and allow increases, we certainly hope that state funding will be provided for GOF increases. In the event that state funding for compensation is not available, all units should have plans to cover GOF/DOF salary increases out of tuition or other fund sources. Should no tuition revenue be available to your unit, Provost Reinvestment Funds may be dispatched to provide support for increases. Please provide your units’ plans to cover expenses associated with salary increases. A

salary and tuition revenue model is available on the OPB website; this model is designed to give you a sense of the magnitude of the support that will be required at various percentage increases.

As stated in the October 18, 2012, letter of instructions from Paul Jenny, as an administrative unit that does not generate revenue, we assume that any agreed to compensation increases will be covered through Provost Reinvestment Funds.

- 6. Academic and Administrative Units:** Your unit may have identified growth plans in the Annual Academic Plan workbook; if so, as part of question 1 your unit should have included a description of the funds necessary, including Provost Reinvestment Funds, to support such growth. For this section, however, please provide specific requests of Provost Reinvestment Funds for new initiatives. Please provide a one-page summary of these requests, articulating how much funding is requested by an initiative, whether temporary or permanent funds are requested, and how the funds would be spent (new positions, systems, etc.).
-

The first two initiatives are not new, but address long-standing issues that have not received permanent funding. This past year, we have spent over \$500k of our temporary funds to pay staff salaries. As we move ever closer to draining our resources to pay for mission-critical staff, we ask you to consider permanent funding for the following.

UWHR seeks \$141,000 in permanent funds to provide a minimal level of staffing to support the increasingly complex work required from UWHR to respond to information and public records requests. UWHR acts as a central point in the UW's process for responding to requests and is responsible for the collection of data from other UW departments as well as its own. Funding dedicated positions to coordinate this considerable effort will allow the work to be accomplished without negatively impacting the work of a variety of other positions that currently must drop what they are doing to comply with the deadline requirements for responding to information/records requests.

UWHR seeks \$439,000 in permanent funds for five positions in Labor Relations. We have lost all of our labor relations specialist positions to budget cuts. The current team consists of an assistant vice president, a director, and two HR specialists. We have funded a labor relations specialist and a communications specialist on temporary funds to get us through the current round of negotiations. However, we can't keep up with the number of requests, hearings, arbitrations, and negotiations that are required when you have nine unions negotiating contracts covering over 16,000 UW employees.

While five positions are truly necessary given the employment and reputational risk level associated with labor relations, \$165,000 in permanent funds would allow us to move the two current positions funded with temporary funding to permanent funds to create more stability for this critical unit. (UWHR did receive permanent funding for two new labor relations positions in FY2011, however we had to return nearly all of the monies in October 2011 as part of our organization's funding reduction.)

Maintaining the headcount is critical to ensure we have staff available to attend bargaining sessions and hearings and are able to respond to the influx of labor relations-related questions and concerns in a timeframe that keeps the University in compliance with its bargaining agreements. The funding will also allow us to maintain the Labor Relations communications strategy launched in 2011 in which the UW provides a public report of negotiation sessions providing management and employees clear insight into bargaining issues. Both managers and our contract-classified employees have reported that this new communications strategy helps them understand the UW's point of view on issues subject to bargaining.
