

20 February 2014

To: Budget Consultation 2014

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Thank you for this opportunity. While my fellow professors in the School of International Development and Global Studies are aware of my appearance here today while and I have telegraphed my main messages to the School Assembly (and received a broadly positive reaction), I appear before you today as an individual, rather than as Director of my School.

First of all, let me say how much I sympathise with the task that has been given to you. As some of you know, I came to the University rather late in life, after a 20+ year-long career in management in the public and para-public sector. In the final months of my last job, as Vice President of a federal Crown corporation that had to make cuts in preparation for Federal Budget 2012, I was a member of the same sort of committee that you are members of now. One of my last official duties was to fly half-way around the world to tell the staff of one of our regional offices face-to-face that their office was going to be closed and that they would lose their jobs. I know how difficult, technically and in other ways, your task is likely to be.

Having said that, I would like to make some critical remarks on the way this exercise has been cast. The document "Potential solutions to balance the budget" shows a remarkable lack of imagination. It approaches the problem purely as an accounting exercise: the University is headed towards a deficit, and therefore we must either increase our revenues, decrease our expenditures, or both. While that analysis is true in an arithmetic sense, it frames the issue in a way that draws attention to the details and away from the big picture.

I will not be making specific recommendations about individual items in the University budget. The documents made available on the web for this consultation were not sufficiently detailed to allow me to do that, even if I had a greater knowledge of the University budget than I have. I will rather confine my remarks to more general principles, first about what should not be done, and then about what I think should be done.

The worst way to solve the deficit problem would be to simply shave a couple of percent off every budget line in a more or less across-the-board fashion. Such approaches leave in place the existing dysfunktionalities, overburden front-line service staff and, over the course of several years, provoke disenchantment and cynicism, to say nothing of ever poorer performance. Hiring freezes, another "solution" often used in the public sector, have similarly dysfunctional consequences, and have the added disadvantage of introducing an element of randomness as people leave University employment for a variety of reasons. I would not recommend either of these commonly used "solutions".

The better way to look at such occasions is as the source of organisational renewal. My former boss, the late James Grant, Executive Director of UNICEF from 1980 to 1995, never accepted excuses for poor performance; he constantly pointed out that in Mandarin, a language in which he was fluent in and I am not, the word for “crisis” is composed of the characters for “problem” and “opportunity”. A crisis is an opportunity to explore new opportunities and to re-engineer things. Many organisations have used budget crunches to provoke serious thinking about what their mission is and how they go about accomplishing it. The Martin-Chrétien budget cuts to the federal public sector in the late 1990s were not just cuts, they also resulted in a fundamental re-assessment of federal spending priorities. While we can all disagree with some of the cuts made at that time (and I do), let us remember that the re-funding and re-birth of the main federal research funding councils dates from that era. That same era of cuts forced my former employer, the International Development Research Centre, to make overdue changes to embrace a more multi-disciplinary, problem-based approach to research support. I would suggest that the spirit of exploration and renewal should animate us here, rather than the approach of finding a nickel of savings here and a dime there.

Now, the University of Ottawa’s mission is laid down in a piece of provincial legislation that we are not going to change any time soon, but we can and should think a lot about *how* we do things at this University. Our plan should drive our budget. The University has a good strategic plan, Destination 2020, and it should guide us in the development of our budgets, policies and procedures. But many of our policies and procedures are actually impeding the implementation of our mission and of our strategic plan. At the same time, professors lack the support they need to function effectively as part of a University whose avowed intention is to be research-intensive. We have too much bureaucracy where we do not need it, and too little support where we do need it.

Much of this bureaucracy is self-imposed. In my own School in the past 18 months, we have done a *nettoyage* of the administrative forms we required graduate students to fill in. (I take no credit for this initiative, which was led by my Operations Coordinator and which was already planned before my arrival.) There are now fewer forms, with less overlap between them, and they are better explained to students in the improved MA student manual. Similar exercises have been undertaken elsewhere in the University; I am aware, for example, that a great many fewer files that once had to go all the way up to the Comité administratif can now be dealt with at Faculty level. We need more of this sort of thinking.

A good place to start would be to examine all major business processes to see how many levels they now go through, and how many of those levels actually add value and/or contribute to other legitimate objectives like coordination with other affected units and the maintenance of an adequate system of internal controls. I suspect that many processes go through far more levels than they need to, leading to slow processing (I won’t call them “delays”, since service standards are rarely specified at uOttawa) and gridlock on the desks of senior officials, with the consequent opportunity costs for the use of their time. To take one simple example, no one with whom I have discussed it in my School understands why the travel and leave requests for all 260 professors in the Faculty of Social Sciences must be approved by the Dean. I hasten to add that this is not a criticism of my Dean, with whom I enjoy a wonderful working relationship, but a comment on the appropriate levels of delegation for routine business processes. I believe that there are a number of influential members of the APUO who are willing to discuss, in a

constructive manner, stripping out needless rules that have accumulated in the APUO-uOttawa collective agreement over the decades and that no longer make any sense. Now that the dust has settled after last summer's acrimonious negotiations over a new collective agreement, maybe it is time to look into these issues.

We also need to stop inventing rules that create work and actually subtract value. I am thinking in particular of the FGPS "rule" preventing professors from one academic unit from supervising a master's student in another academic unit, even when student, professor and the Directors of the two academic units are in agreement that such a supervision would be a good thing. Believe me, you do not want to know how many days people in my School have wasted on this issue over the last year. Inter-disciplinary research is now the norm in large parts of our University. Our rules should encourage it, not punish it.

A critical examination of business processes in this University will inevitably lead to delegation of authorities to lower level managers; this in turn will both involve a change of organisational culture and will demand that those lower level managers be both empowered and held to account. Chairs of Departments and Directors of Schools get paid an allowance to occupy those posts; if given extra responsibilities, I would be happy to put some or all of that allowance at risk, based on my performance as judged by my Dean. Such at-risk bonuses are common in the federal public sector, for example.

As a University community, we need to look at key components of the University structure, and how they align with our strategic plan, Destination 2020. Take, for example, the International Office, which one might think should be a priority for a University which has "internationalization" as one of the four objectives of its strategic plan. For several years, the International Office was inadequately resourced and had no clear mandate, not even an inventory of its activities. In the last year-and-a-half or so, much has changed (and improved!) in that office. But negotiating international agreements is still a long and painful process that I am sure could be simplified and streamlined, for example by providing more up-front guidance and templates, rather than post hoc comments on draft agreements.

Recent growth in administration should be looked at in light of Destination 2020. Let me hasten to say I am *not* one of those who feel that administrative expenditures are merely a drag on performance. So-called overhead costs are not only necessary, but can be value-adding. But I question whether the recent growth in Central Administration has all been in the right areas. Most of these posts, I am told, are not in areas which improve the quality and timeliness of front-line services, like human resources, where it still takes an age to get an answer to many questions.

But so far, I have been talking about ways of finding marginal changes to unclog key chokepoints, reduce costs and improve the functioning of key units. Those things are important, and organisations that are learning organisations ought to be thinking constantly about such issues. But we also need to think more strategically. Again, we need to think about how the plan should drive the budget.

This University has a natural geographical advantage, sitting right next to the federal government and the rich ecology of organisations that surround it (NGOs, lobby groups, national media outlets, unions, think tanks, research centres, embassies...). The recent discussions surrounding the School of

Government have, if nothing else, provoked serious thinking and debate on campus about how as a University we can better connect with official Ottawa, while maintaining our academic independence.

But how we link to that rich ecology is at the moment largely an ad hoc affair, left to the initiative of individual professors. Arriving at this University 20 months ago from the federal public sector, I was amazed at how little administrative and communications support was available to me as Director and to professors in general. This is NOT a commentary on the quality of the support staff; the ones in my School are great. It is rather a comment on where the University has chosen to allocate its staff resources. I find that professors spend inordinate amounts of time assembling “coalitions of the willing” (some professorial time, some admin staff time, some RA/grad student time, some volunteers) for tasks related to conference logistics events management, publicity, and outreach to non-academic audiences, work that would be better done by administrative and communications professionals. When professors do such work, it cuts into their teaching preparation time and, most importantly for a research-intensive University, into their research time. Hiring students (usually graduate students) on research assistantships to do these tasks is at best a partial solution. Students are available only up to 10 hours a week and there is frequent turnover, with consequent loss of institutional memory and constant re-training of new arrivals, amongst other drawbacks. There are lots of little pots of money in uOttawa to support such activities, but the transactions costs are high and the funding sometimes meagre; several professors have told me that they have given up on such communication and outreach activities, since they take so much time and effort, but are not much valued in promotion and tenure decisions. This is not the sort of message we should be sending to our faculty.

As Director of a School that is supposed to link theory and practice, bring town and gown together in discussions of important public policy issues, I find myself hamstrung by the lack of someone who could do a myriad of communications support tasks: maintain and update the website weekly, even daily (and, yes, that should be the standard; it is certainly the standard that most of our students expect of us), engage in social media, maintain a mailing list for a newsletter/blog/social media outreach, help organise conferences and scientific meetings, set up the recording technology for podcasting of events, and search out opportunities for collaboration off-campus. Similar schools of development studies in the UK, including the one I graduated from, have such resources, and the benefits they bring for students, the department and the university, are obvious. With very few exceptions, we are stuck in an old-fashioned mental model of academic units as merely teaching and research units with no need of communications or outreach capacity.

If the University invested, either at the level of the academic unit or at some other level (Faculty or University-wide) in such public outreach/communication services, much better results would likely be produced. Would it cost money, at least in the short term? Of course it would. But such activities pay dividends in other ways, notably in attracting a better calibre of graduate students to the University, in attracting better candidates when we hire professors, and in enriching the student experience, all of which are consistent with Destination 2020. If combined creatively with other ideas such as professional training courses and summer schools in public policy, they could even be net generators of revenue, and could allow us to better use our physical plant during those periods of the year when it is under-utilised.

Do we want a research-intensive University with high visibility, good out-reach to international and Canadian partners, and strong links to policy actors in the nation's capital? Then let us invest accordingly. Overhead costs are not a source of inefficiency in this University; on the contrary, the lack of such resources is often the source of much inefficiency. Let us think of the University budget as an investment vehicle to promote the objectives of our strategic plan, not as a series of expenditures or cost centres. There is need for creative thinking. Let us start now.

Thank you.