

Feedback to the Executive's response to financial problems and to the Academic restructuring

I will address the issues of financial remedies and academic restructuring sequentially as I remain unclear about any “necessary” links between the two (but am open to being presented with evidence that will enlighten me). These are merely my thoughts on the issues as I do NOT believe that we have been given adequate information on which to make judgements on the general direction in which the Executive propose moving, let alone substantive, well- argued suggestions for better responses.

Financial Crisis and need for “redundancies”

We have been told by the Vice Chancellor that our number of staff is “too high” for our size relative to the Go8 and that we have too many sub-units for our size (implicitly stating that this increases costs). Using the numbers presented in the table of the renewal document, I queried this generalization. Using the data provided, there is no statistical association between various measures of size and number of structures and so no clear pattern from which UWA may deviate. The way the Universities of the Go8 fall out on most of the presented metrics is clearly size related. UWA consistently clusters closest to Adelaide and to ANU. While we have somewhat more units than those two universities, overall there is no relationship between structures and size in the Go8 so comparisons relative to size are of questionable meaning.

Number of general staff and number of academic staff vary across Go8 relative to size as well. With UWA being very similar relative to our peers (Uni Adelaide and ANU). Melbourne Univ, with whom our Executive is fond of making comparisons appear substantially more “over-staffed” by general staff relative to load (Figure 1).

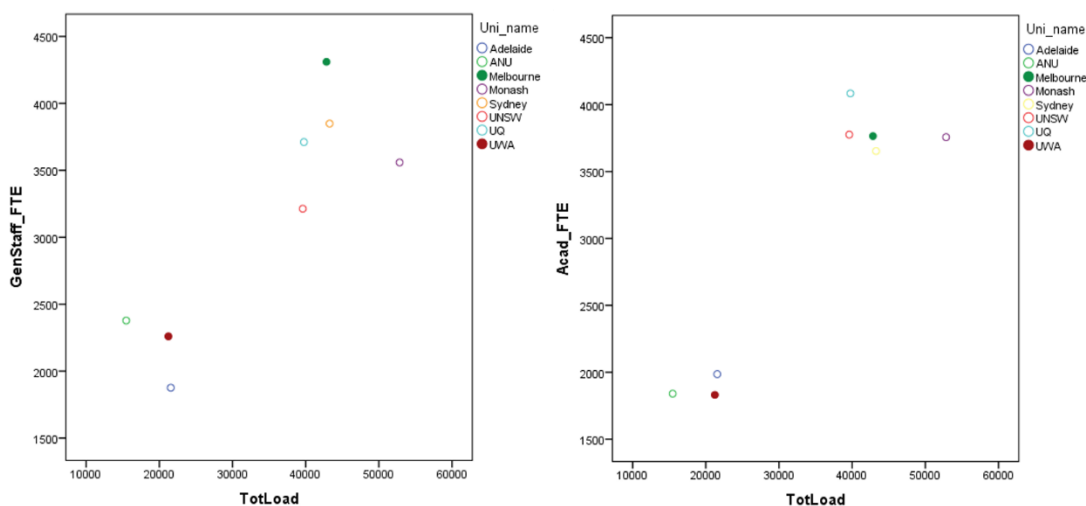


Figure 1. General staff FTE and Academic staff FTE relative to load for Go8 (data from table in the renewal document).

Unfortunately, we were not provided with the important data in this table, the data on expenditures so the more relevant analyses remain opaque. We can only begin to test the assumptions of the comparative statements. There is clearly enough to question the assertions regarding UWA relative to other Go8. Staffing levels of Go8 universities are primarily (and almost exclusively) related to size. Where General Staff numbers can be related to multiple measures of University activity, they appear to be most related to research revenue (Table 1).

General staff load is more related to Research income but not to either student load or to number of academic structures (Table 1).

	B	Std Err B	β	t	p
constant	-74.91	473.999		-.158	.882
structure	24.736	38.232	.096	.647	.553
Student load	.016	.014	.248	1.164	.309
Research Rev	8.019 E-6	.000	.708	3.436	.026

Table 1. General staff FTE relative to above measures: Overall F = 19.602, p = .007

UWA seems to be staffed as would be expected for Go8 with its given level of research revenue (Figure 2).

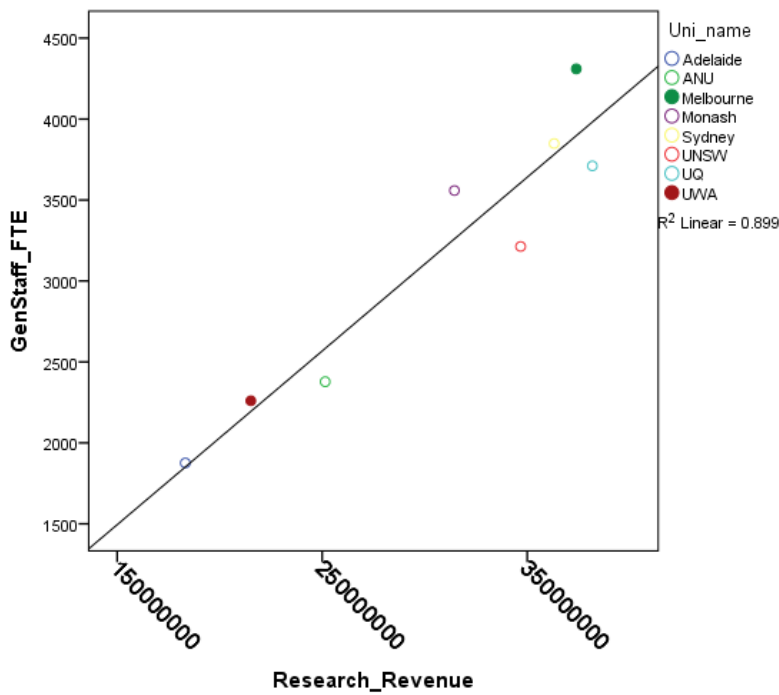


Figure 2. Relationship of General Staffing to Research Revenue in Go8 universities.

Lastly, if one looks at the number of Academic FTE relative to HDR, student load, and research revenue, one finds that UWA is under staffed relative to the pattern in the Go8 (Figure 3).

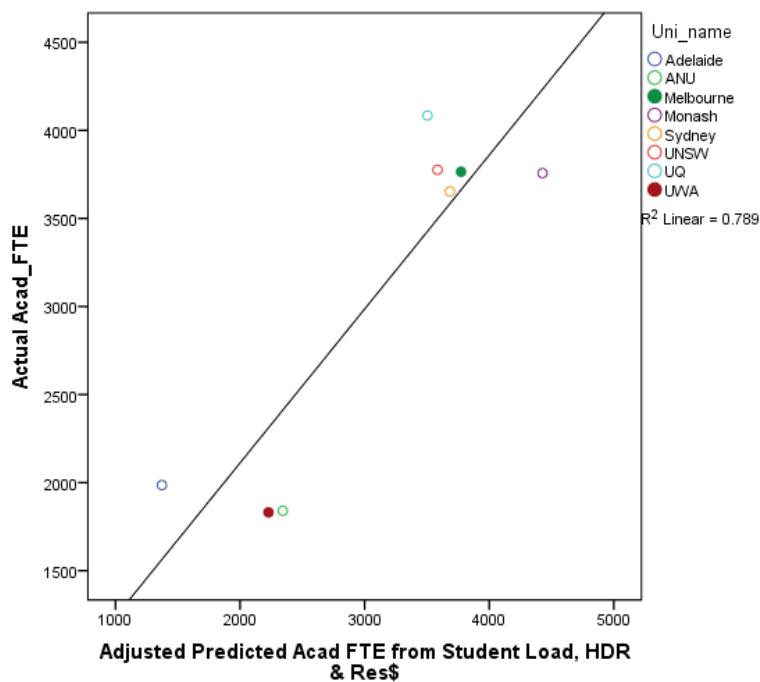


Figure 3. Actual Academic FTE compared to the levels predicted from HDR, Total load and Research revenue in the Go8.

Unfortunately, we are given no expenditures data in the table which is clearly what one needs to determine the relationship of staffing to financial position. E.g. if UWA had many low level staff compared to other Universities having fewer but higher level staff, then numbers do not relate to actual cost. If UWA has more very high level staff, then cutting numbers of low level staff will not solve the problem efficiently.

Why do these presentations of real relationships, or lack thereof, matter? We have been told that we, like households, must live within our means. In a household, the nature of excessive expenditure is identified and relevant cost savings implemented. If a parent just spent too much on a flash car, reducing the children’s pairs of shoes will not address the problem. Similarly, UWA should specifically identify where “excessive” staff (if that is thought to be the problem) or excessive expenditures exist and solutions directed toward those entities. If particular research centres have higher costs than incomes then they should be reined in. If having more Deputy Vice Chancellors and Pro-Vice Chancellors than all but one other Go8 is more expensive than our size suggests necessary, then perhaps that is a more effective place to focus on cutting back (Table 2).

Table 2. Numbers of designated DVCs and Pro-VCs in each of 6 of the Go8. It is unclear whether Vice principals are similar to Pro-Vice Chancellors but they seem to be similarly associated with portfolios.

University	Number named DVC	Number of Pro VC
Univ Sydney	5 (1 of Indigenous focus)	3 Vice Principals (similar ??)
UWA	4	4
UNSW	3	5
Melbourne	2	4
ANU	2	4
Univ Adelaide	2	4

The argument for a given number of staff cuts was not widely accepted because, given the wide range of salaries, there is no direct necessary relationship between numbers of staff and dollars spent/saved.

Among Professional staff, a top level 10 has a gross salary that is 2x a Level 8 or 3 times a level 6. Clearly dollars don't easily transfer to numbers of people. Adding to the unease caused by this rather facile calculation was the lack of any indication that the staffs of the executive might be analysed or reduced although there is at least a perception that executive staffs have blown out widely at the high end of the scale. People will cooperate more when the necessity to feel pain is clearly presented and that those calling for belts to tighten intend to tighten their own belts as well.

I am personally willing to accept that there is a financial problem, but it has not been made clear where the source of that problem actually lies and thus what actions will truly solve the problem rather than just causing disruption and pain without a positive outcome.

If the problem is general and not due to the costs of over-management or costly undertakings that have failed (e.g. a rebranding campaign that does not appear to have increased enrolments), then there remain other ways to cut costs (e.g. overall salary cuts on a sliding scale percentage relative to salaries) that will be perceived as more fair and will enlist cooperation because the executive will be perceived to be participating in the solution rather than imposing elsewhere. Previously, I was at a University that used this method to address financial issues with positive results.

Restructuring:

My feedback regarding restructuring is limited, primarily because we have been given no indications of how an Academic restructuring solves a financial problem. If the answer is a "hub and spokes model", then restructuring services units does not necessarily require re-organization of academic units. Two science faculties merged into one logical, well organized unit that has resulted in many benefits – including income growth if I understand correctly. It is not merely the amalgamation of faculties with disciplinary connections but the WILLING participation of the lower levels of organization (Schools and people) that resulted in success. Academics are arranged in nested groupings of cognate and linked disciplines that cannot be reinstated at will or blindly based on some idea of "scale" or subsidizations. My particular School (APHB) works extremely well and is successful; we have paid a price and it has taken time for that to be the case. As a result of our success, we merged with another School that was disciplinarily related but doing less well in a structure that didn't work for them. That merge was not easy; it took time and a lot of work to make it work – and it continues to take some work. A School cannot be picked up and moved into a different environment and expected to function as well as it was prior to the move. The body of the School cannot be dismembered and dispersed and then the subparts expected to function as well as they did as part of their original body. As a School, we are adamantly opposed to being removed from the Faculty of Science.

Again, I do not necessarily think that some reorganization might not be beneficial; but the case must be made to the participants and they must see the logic and benefits to that reorganization or it will not succeed. It is units that are not functioning well that may need to change, changing those that already work well is taking a very large gamble. Furthermore, there is a great deal of work in anthropology indicating that humans have some limits on the sizes of groups in which they can function optimally on a day to day basis. As groups exceed those sizes, connection, ease of interaction etc declines (for an easy summary: www.newyorker.com/science/maria-konnikova/social-media-affect-math-dunbar-number-friendships) and efficiency declines. Quite frankly, changes in administrative structure at UWA already made, are making attempts to get information or find answers more difficult than they were 2 years ago in much of the "service delivery" of information. I think it likely that the reality of day to day interaction will smooth some of the rough edges, but I think that to motivate widespread acceptance and uptake of these changes requires greater specificity regarding where the problems actually originate and how the proposed changes will actually address those specified problems. A university is built on the cooperation and collegiality of its members. Those members are used to requiring, producing, and evaluating evidence in every undertaking. Business models are not necessarily the best models for organizing institutions whose

major assets are the brains and loyalty of the members to the function of the institution – producing and transferring knowledge.

Respectfully,
Debra S Judge
Associate Professor and Graduate Research Coordinator
School of Anatomy, Physiology and Human Biology