February 24, 2011

John Meyer, Vice Chancellor
Administrative and Resource Management

Peter M. Siegel, Vice Provost
Informational and Educational Technology

Re: Conceptual Framework: Implementation of Regents Resolution on Administrative Efficiencies

The referenced document was forwarded to all Davis Division standing committees in addition to the Faculty Executive Committee in each school and college at UC Davis. Comments were received from the Committee on Information Technology and the Graduate School of Management Faculty Executive Committee.

The document provides a high-level description of an attempt to reduce administrative costs by identifying areas where the use of common tools may lead to economies of scale. This is commendable. Such a strategy, if implemented efficiently, could possibly lead to savings over the next five years. One must wonder, given the present budget situation facing UC, if such a global pursuit is a luxury UC is unable to afford. There may be other more immediate needs that if given higher priority in this time of budgetary crisis, could reap savings and efficiency locally rather than globally. For example, an outdated research and information technology infrastructure seriously compromises the ability to compete for research grants and to attract new students, which in turn directly impacts the ability to generate revenue for the University.

Further, while there may be gains to imposing a common solution in certain settings, doing so may reduce innovation and tailored solutions that might be more appropriate for a particular unit. Perhaps we should consider creative incentives to improve efficiency (e.g., allow units to keep some of the cost savings for use elsewhere).

The document does not provide an estimate of the amount of savings the initiative may accomplish. In particular, the hidden cost of disrupting current business practices is not addressed. A cost/ benefit or other comprehensive analysis may illuminate the administrative cost of such a study (time of members of the CSSC committee and any additional hires in consulting and information technology personnel). Such a study should include an examination of whether it would be cost effective to initially focus efforts in a few strategic areas which have been analyzed carefully as potential savings that affect the UC.

The Division supports the committee's role to "evaluate progress." We suggest that the committee establish a structure to periodically evaluate the overall initiative's progress, and if sufficient progress has not been achieved, assure a structure is in place to determine whether initiative and the committee need to be continued (especially if it costing a lot of money through external consultation fees).

In summary, we should start by adopting the principle that we can't hire more administrators to figure out how to save money on administration, and we should make sure that we are not setting out on a course of paying corporations to figure out how we can pay corporations less.

Sincerely,

Robert L. Powell III, Chair
Davis Division of the Academic Senate and
Professor and Chair, Department of
    Chemical Engineering and Materials Science
Professor, Food Science and Technology

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