

A MESSAGE FROM PROVOST HUME

Colleagues,

This week the Board of Regents will be meeting at UCLA. Among the items on the agenda is a discussion of the restructuring efforts under way at the Office of the President. Because I believe it is important for you to be updated on these issues by me rather than through the press or through the audio feed from the Regents' meeting, I plan to provide to you before each Regents meeting a summary of what I intend to say about where we are in this effort.

First, I will impress on the Regents the continuing dedication and professionalism of the Office of the President staff. Even amid the uncertainty of restructuring and the new OP budget process, our employees are continuing to perform hugely important and difficult tasks on behalf of the entire system. Just two current examples are the November open enrollment and undergraduate application processes – two critical services provided to the University Community and to the public and well managed by the Office of the President.

I will also cite for the Regents a number of critical efficiencies and cost-saving efforts that have been launched in no small part as the result of individual OP employee creativity and initiative. For instance, I will be talking about how we are reducing risk management costs across the University by more than \$100 million; saving \$37 million through strategic sourcing opportunities; and exploring a range of consolidation opportunities, including an initiative by IR&C to reduce the number of Windows servers from 104 to 5 for \$1.3 million in savings.

These examples and others illustrate an important part of my message to Regents: Restructuring cannot be just about saving money – it must be about working differently. Many of you are already proving this is possible, by rethinking and remaking our administrative and business processes so we can realize the vision of *one university, capable of focusing the unrivaled creative power of its ten distinct, world-class campuses to meet the needs of the people of California.*

At the same time, there is ultimately a bottom line. And in a time of continuing State budget constraints and the need to maintain the quality of the academic enterprise, that bottom line, for those of us at the Office of the President, is this:

The Office of the President must become smaller in size, more focused in its mission, and more customer-oriented in its culture.

This will not happen overnight, but I want to prepare you for what the weeks and months ahead may hold:

The first step is developing the OP budget, and that process is already under way. I have imposed a vacancy control process that enables us to start saving dollars now so that when our budget picture becomes clearer, we have the resources to direct where they can best be spent. I have also asked every department to provide plans for a 10% budget reduction. As we review these plans, hard questions are being asked about each function – are these services most appropriately located in Oakland or would they be more effectively and efficiently supplied by other means? Are there services siloed in different areas of the Office of the President that could be consolidated or better coordinated?

Some of the answers will likely come in January, when the work group tasked with clarifying the role of the UC Office of the President is expected to complete its work. This group is studying OP's role in relation to the Regents and the Chancellors, both in the management of the University overall and in regard to the specific services OP provides to the campuses. The group's recommendations – along with input from OP staff – will help further guide decisions about the future size and shape of the Office of the President and its budget, which will be developed and presented to the Regents in March.

The March budget likely will recommend to the Regents that some OP services be shifted to the campuses, contracted to outside vendors or eliminated altogether. That means some employees may find their jobs moved to other locations; others may need to transfer their skills to core functions that are retained or even strengthened at the Office of the President. And yes, some jobs may be eliminated.

No one wants layoffs, and layoffs are always a last resort. We will do our very best to make as many reductions as we can through other means – including attrition and reassignment when organizational functions have moved outside of OP – and to give you ample notice about what is happening, why, and on what timeline. We will be using the website at www.universityofcalifornia.edu/future to help keep you up to date as our planning progresses.

As I will stress to the Regents, this effort is not about the performance of individual employees. Indeed, the Office of the President is blessed with an unusually creative, hard-working and public-spirited workforce. The Monitor Group made note of this in their September report to the Regents: “In many cases ... talented people are held back by the processes and systems they inherited – solving these underlying problems holds the promise of ... unlocking the talent of the people working across the University.”

My belief is that this will prove true, and that the Office of the President will emerge from this period an even stronger institution, equipped with the modern systems, structures and tools it needs to better serve the academic enterprise and through it, the people of California.

Sincerely,

Wyatt R. Hume
Provost and Executive Vice President