



Virtual
CUPA-HR
Annual Conference and Expo

How to Use Data and Empathy to Handle COVID-19 Workforce Reductions

Paul Friga, Clinical Associate Professor of Strategy, University of North Carolina at Chapel Hill

Mark Coldren, Associate Vice President, Human Resources, University at Buffalo, State University of New York

Pierre Joanis, Vice President for Human Resources, Bucknell University

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October 7, 2020

Meet your presenters



Dr. Paul N. Friga - pnf@unc.edu

- Clinical Associate Professor of Strategy, UNC Kenan-Flagler Business School
- Chief Strategy Officer and Co-Founder, ABC Insights (Academic Benchmarking Consortium) – abc-insights.com
- Paul earned a B.S. degree in Management and Accounting from St. Francis University (served on Board of Trustees) and an MBA and Ph.D. from the UNC-Chapel Hill, Kenan-Flagler Business School



Rob Shomaker – rshomaker@cupahr.org

- Vice President and Chief Operating Officer, CUPA-HR
- Has over 17 years of experience at CUPA-HR
- Board President for New Hope Blount County Children's Advocacy Center
- Rob earned a B.S. degree in Marketing at Haslam College of Business at the University of Tennessee and an MBA from East Tennessee State University



Mark Coldren - mcoldren@buffalo.edu

- Associate Vice President for Human Resources at the University at Buffalo
- Previously served as CHRO at Ithaca College, and before that in the HR team under various functions at Syracuse University
- Has over 25 years of professional background and experience in HR, including software design, manufacturing and public education settings in human resources and learning,



Pierre Joanis – pdj002@bucknell.edu

- Vice President for Human Resources at Bucknell University
- CUPA-HR National Board of Directors, Member
- Previously served as executive director of human resources at Princeton University
- Has over 20 years of comprehensive expertise in both the technical and strategic aspects of HR at a dynamic & complex university

Executive Summary



Major Change for
Higher Ed



Two CHRO
Strategies for
COVID-19



Generalizable
Lessons for Moving
Forward



Major Change

CHRO Strategies

Lessons

How to Use Data and Empathy to Handle COVID-19 Workforce Reductions



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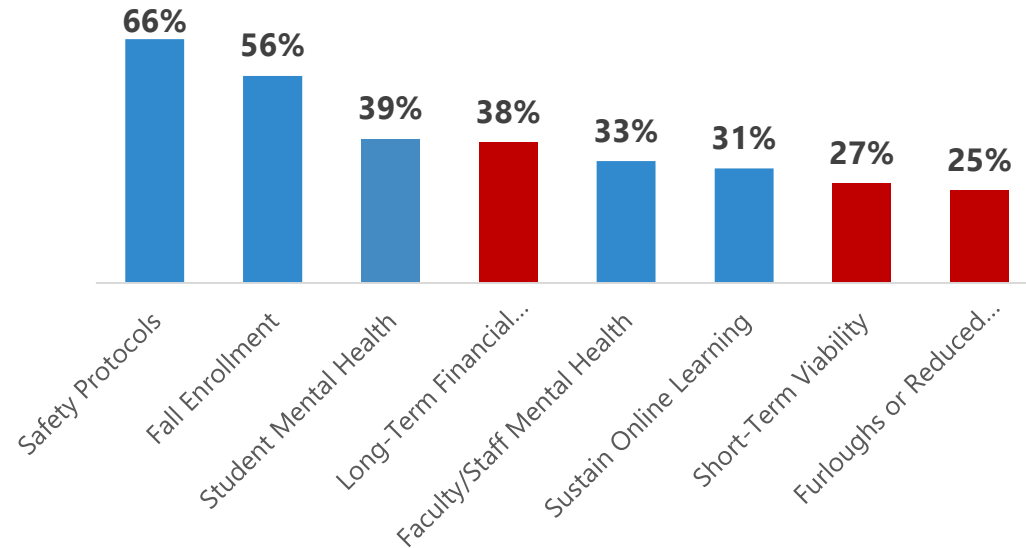
Lessons

Academic leaders are planning for major changes



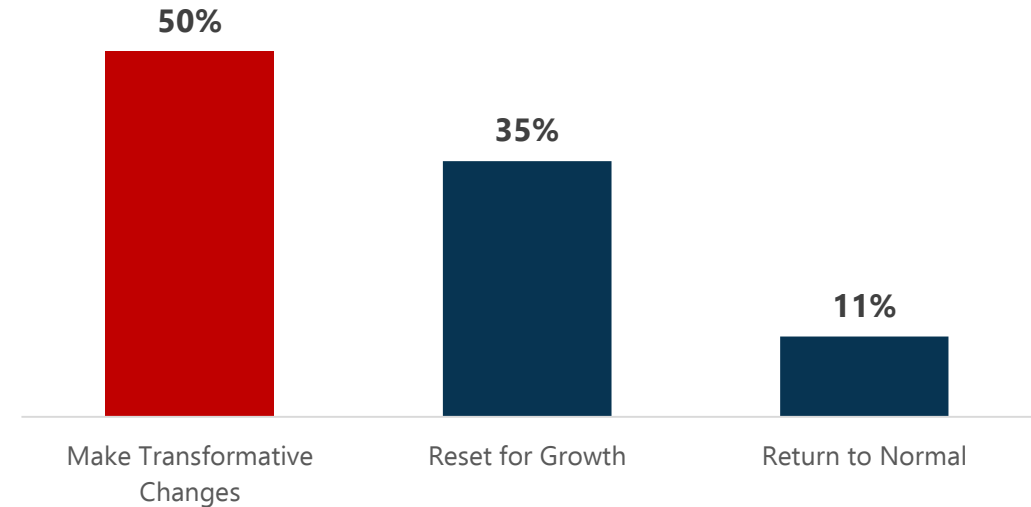
ACE Survey of Presidents – July 2020

Most Pressing Issues Facing Presidents



InsideHigherEd Survey of Presidents

How do you intend to use this period?



100% of University CFOs and 96% of Presidents are planning to “Reengineer Operational Processes”

Major Change

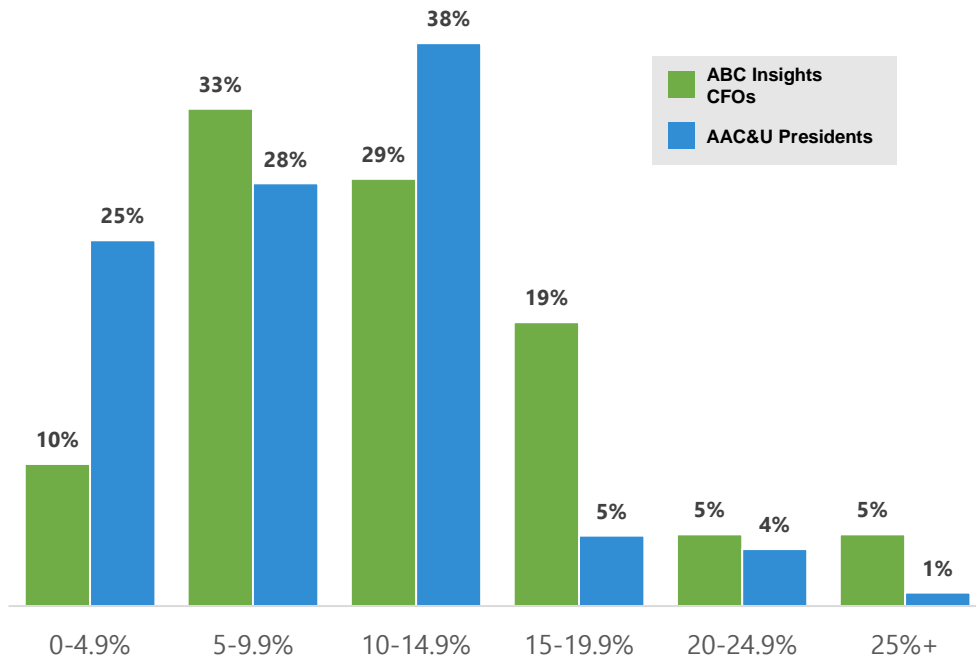
CHRO Strategies

Lessons

Presidents and CFOs believe the impact will be significant on their respective campuses



Expected Potential Decreases to Revenue in FY21



Presidents Say

"I worry about cuts in state and county funding. ... I worry that I won't have the workforce resources to help lead the economic recovery."

"Beyond the well-being of our students and staff, which comes first, I am worried about the lack of sufficient relief for higher education from state and federal governments."

"Sharply declining revenue due to loss of paying students and a new 'free college' program in our state."

"All income streams are under stress — tuition, development, endowment."

CFOs Say

"State subsidy will be reduced, auxiliary funds will be reduced due to lack of events, athletics impacted negatively."

"We are expecting 25% cuts in State support as well as enrollment impacts."

"Lost revenue is the main issue and the need to maintain physical infrastructure without revenue"

"Out of state revenues account for [a majority] of our revenue."

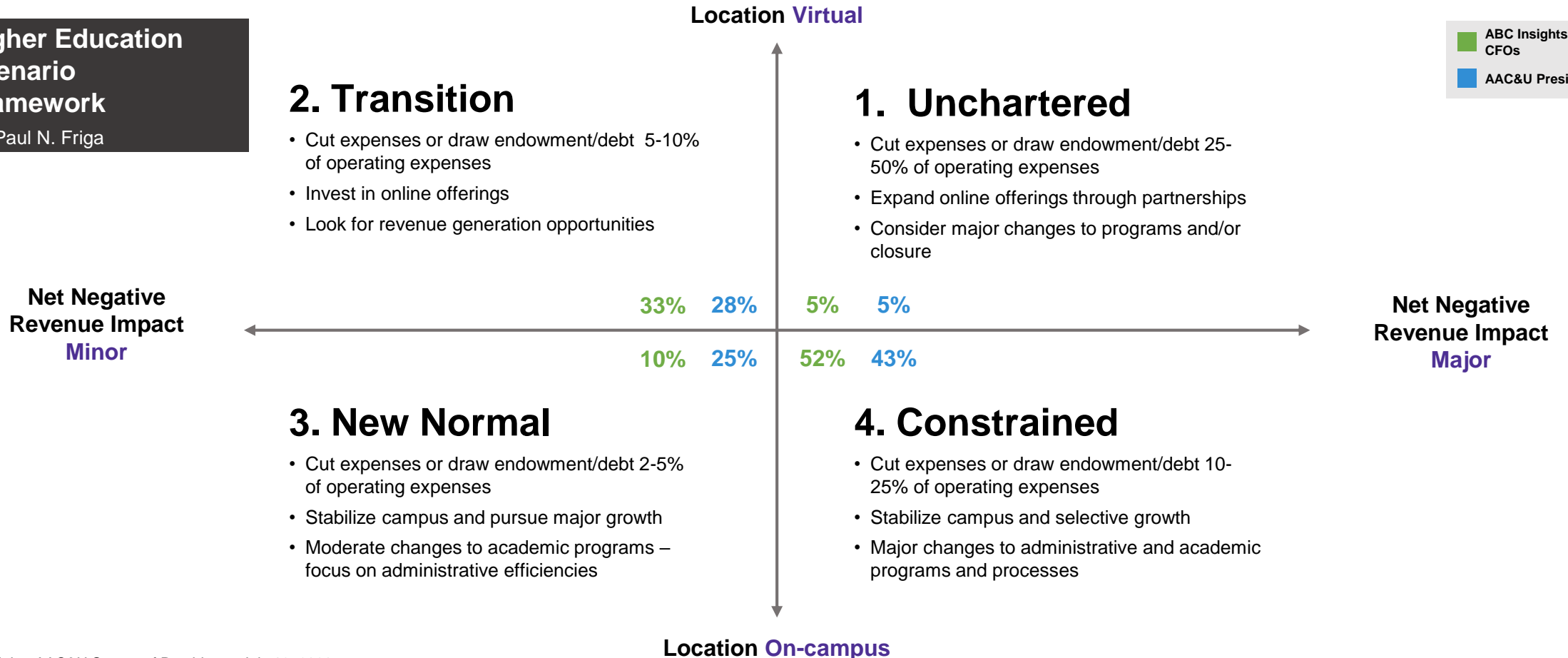
Source: ABC Insights AAC&U Survey of Presidents, July 12, 2020 n=119; ABC Insights Survey of CFOs, April 30, 2020, n=21

Higher education scenario analysis allows for dynamic planning

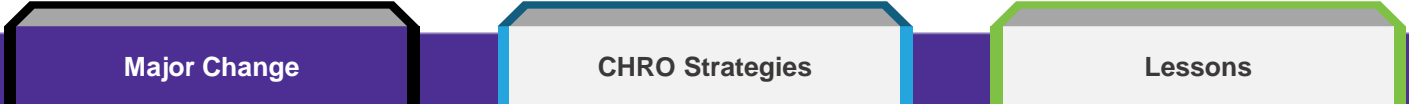


Higher Education Scenario Framework
Dr. Paul N. Friga

ABC Insights CFOs
AAC&U Presidents



Source: ABC Insights AAC&U Survey of Presidents, July 12, 2020
n=119; ABC Insights Survey of CFOs n=21



Utilize benchmarking data in HR decision-making – CUPA HR and ABC Insights



DataOnDemand How-To Guide

Benchmarking for Faculty and Staff Size

Adam Pritchard, Ph.D., Senior Survey Researcher
Jacqueline Bichsel, Ph.D., Director of Research
Anthony Schmidt, M.S.E.D., Data Visualization Researcher



ABC Insights®

ABC Insights® is the premier benchmarking platform for finance executives within higher education, designed to allow members to easily perform comparative analyses against peer institutions and to share best practices.

Mission
Improve sustainability of higher education by helping universities become more efficient and effective

Vision
Become the trusted partner and thought leader for analytics, benchmarking, and insights in higher ed



ABC Insights® – Standard Activity Model (SAM)

ABC analyzes and organizes our member universities administrative labor expenses into a standardized and consistent model called our SAM or Standard Activity Model.

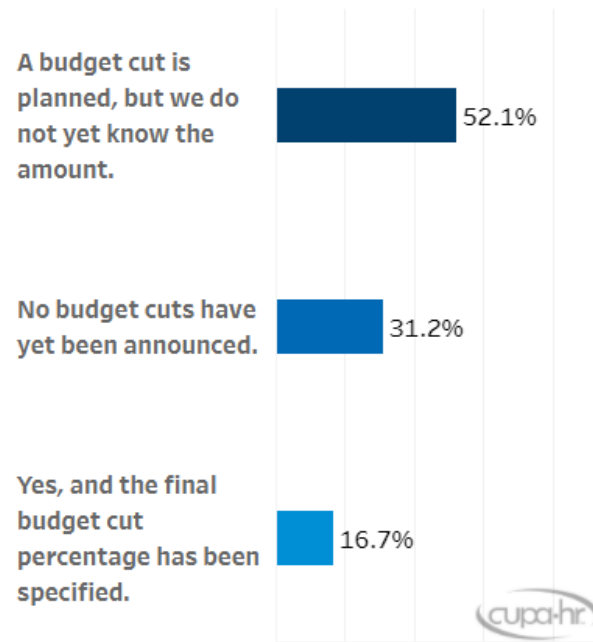
Category	Percentage
Facilities	140%
Development	134%
General Administration	131%
Human Resources	107%
Research Administration	100%
Finance	97%
Information Technology	90.7%
Student Services	88.2%
Communications	88.0%

Source: <https://www.cupahr.org/surveys/dataondemand/dod-users/>; www.abc-insights.com

Potential budget cuts in higher education



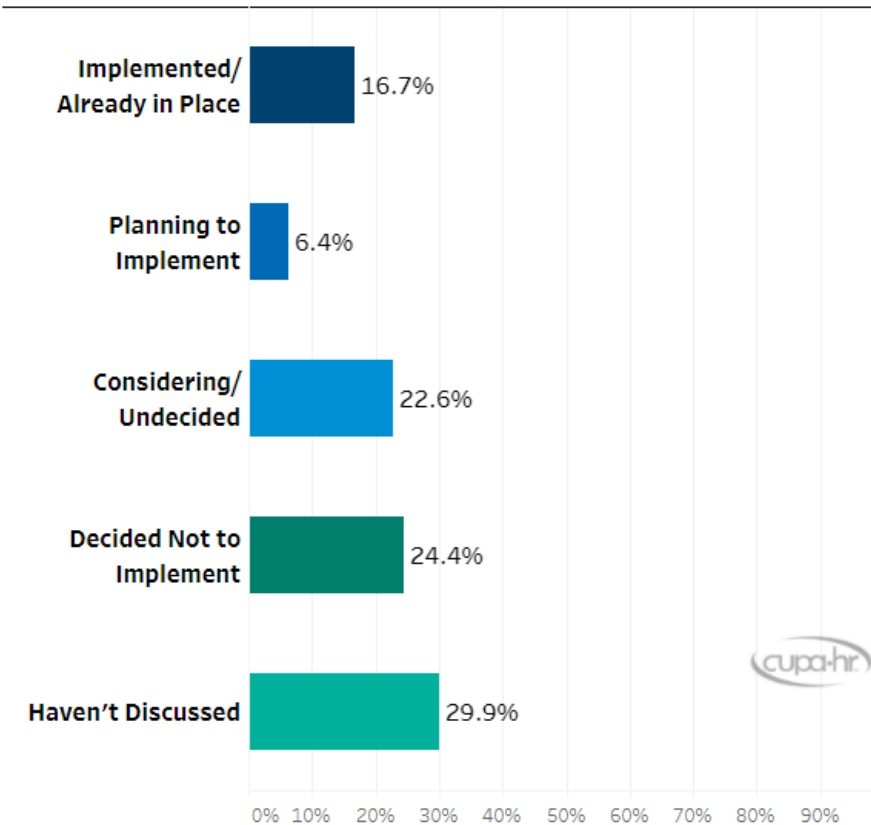
Fall Budget Plans (n=230)



Median budget cut percentage for 39 institutions reporting:

7.00%

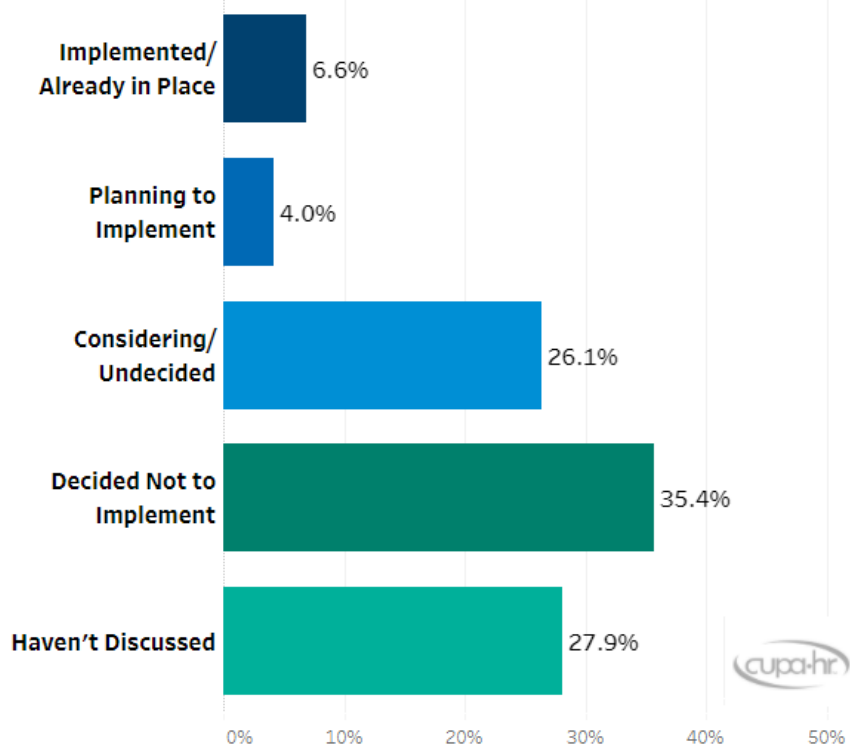
Early retirement incentives (n=230)



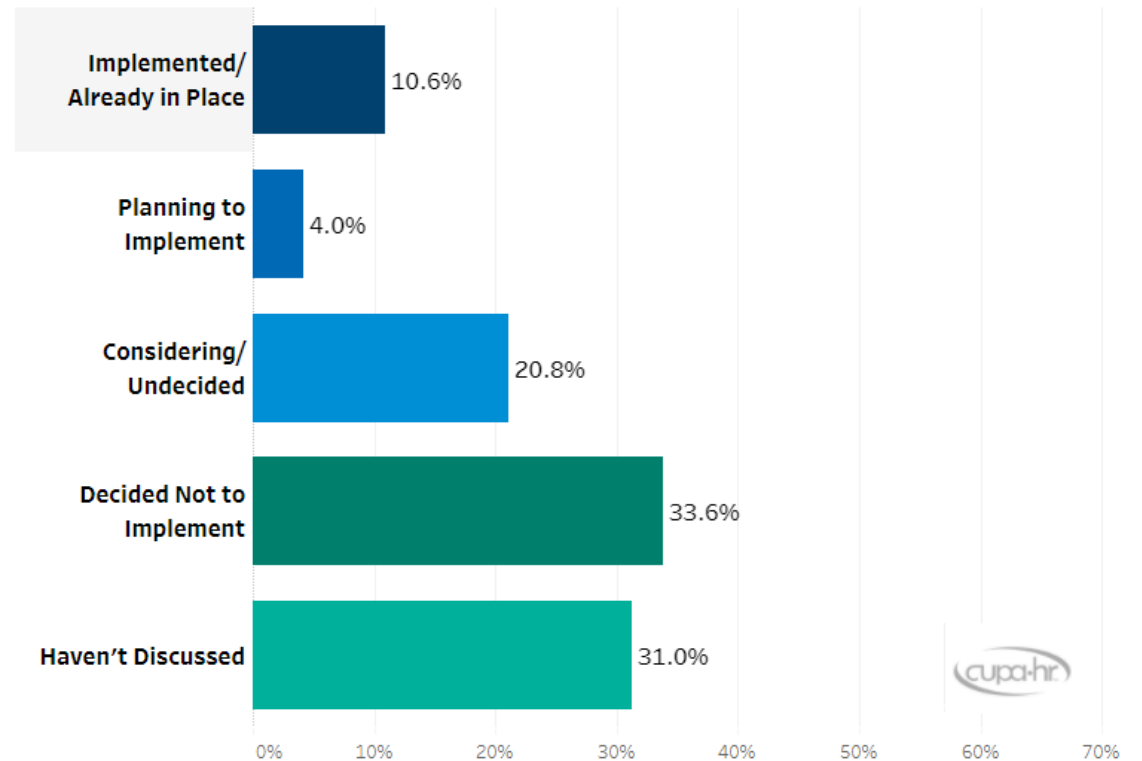
Potential faculty workforce reductions



Layoffs/ furloughs for faculty (n = 223)



Termination or non-renewal of full-time faculty appointments/ contracts (n = 223)

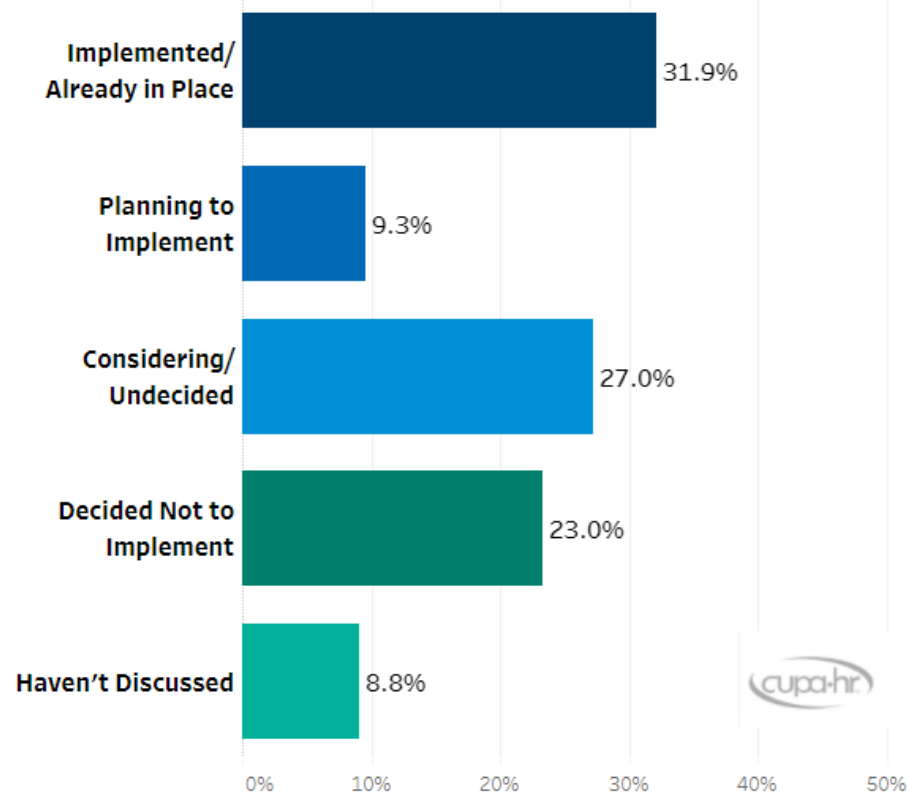


Source: CUPA-HR 2020 Fall Workforce Planning Tool

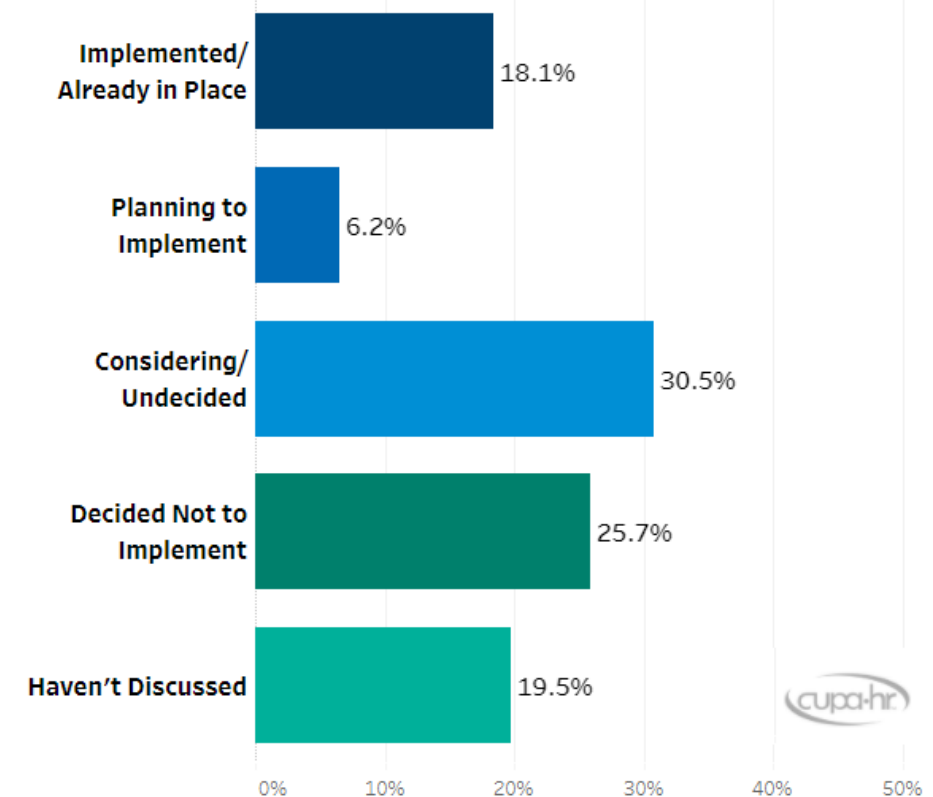
Potential staff workforce reductions



Layoffs/ furloughs for staff (n= 223)



Termination of staff positions (n= 223)



Source: CUPA-HR 2020 Fall Workforce Planning Tool

Women and racial/ethnic minority issues



History shows us that women and racial/ethnic minorities are hardest hit by an economic recession

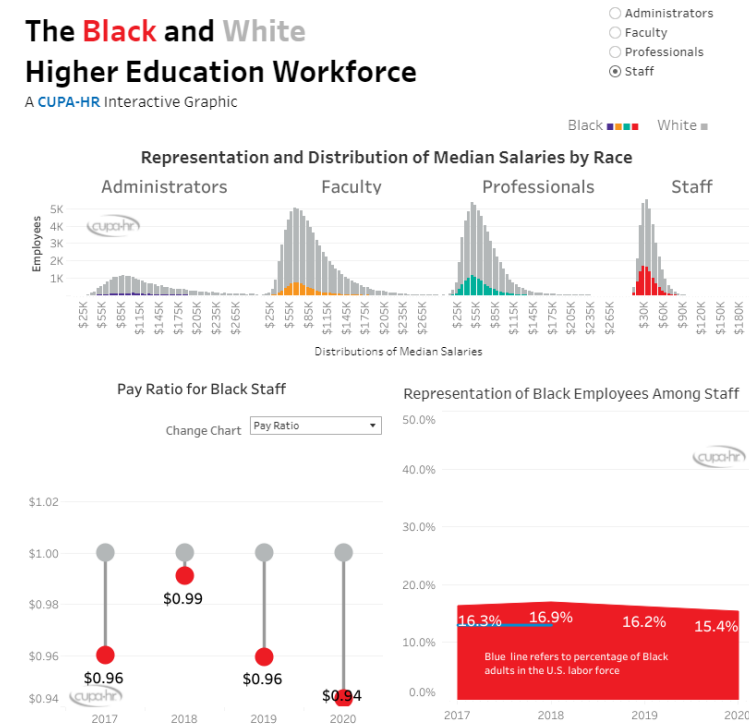
Women and Racial/Ethnic Minorities are:

- **The first to lose their jobs:** Early coronavirus job losses have impacted more women and minorities proportionally
- **The slowest groups to recover;** effects of recession last much longer for women and minorities

1 in 3 Americans still had not recovered financially from the 2007 recession a decade later, with women and minorities disproportionately affected

The Black and White Higher Education Workforce

A CUPA-HR Interactive Graphic



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The University at Buffalo



Campus	UB is the largest public in NY State, 64 campus system, AAU, 32,000 students, app. 10K employees, predominantly unionized environment (multiple unions including faculty), civil service workforce
System	Statewide agreement needed for dramatic action – no across the board furloughs as in the past – no layoffs – decision to let campuses develop individual strategies
Impact	Shortfall of State funds 2019-20, requested 10-20% budget cuts across institution, revenue down with fewer residential students (8K to– 4900), costs to address COVID-19 including housing refunds, fee reductions, testing, technology needs, logistics, remote work

Key HR Actions at Buffalo



Using Data For Decisions

Academics

- Planning utilizing data to build a hybrid instructional model (class size, reduction in density)

Payroll

- Defer contractual raises, salary compression payouts

Activities

- Analyze all administrative people spend (ABC-Insights) to identify opportunities for consolidation / centralization of services – COVID-19 decrease in activity facilitates action in key transactions: travel, people/HR actions, procurement/purchasing

Workforce

- Focus on workforce planning categories of positions (strategic, core, currently utilized) as part of the ongoing budget process
 - Connect to analysis of people spend
 - 25% of staff positions identified as currently utilized: strategy of payroll reduction and not headcount reduction

Key HR Actions at Buffalo



Expressing Empathy In Decisions

Transparency

Open communication with entire campus community – town halls and data sharing

Coordination

Statewide agreement needed for dramatic action – no across the board furloughs as in the past – no layoffs – decision to let campuses develop individual strategies

Sensitivity

Focus on voluntary reductions, go to 90%

Solidarity

We are all in this together - Hiring pause across institution – including all salary related actions for central approval

Reassign

Plan for redeployment of current positions to align with work needs (i.e. research administration)

Consistency

Exercise consistent approach to individual flexibility to facilitate remote work, address family care, control campus density (as compared to fall 2019):

- 87% reduction in classroom density, 74% decrease in daily in-person classes
- 40% decrease in resident hall and campus apartment occupancy rates
- 441 faculty teaching in-person only out of app. 3000 faculty

Bucknell University



Bucknell
UNIVERSITY



Campus	Liberal Arts select private university with colleges of engineering and management; 3.7K students and over 1.5K employees
Culture	High residential focus, collaborative environment and student-centered – “prepare students for lifelong learning”
Impact	“Tuition Freeze”, paused planned 3.5% tuition increase; Reduce non-essential costs, through collective effort to minimize spending Bucknell experienced a positive budget variance in excess of \$10m for FY20; FY 21 planned \$30M in deficits

Key HR Actions at Bucknell



Using Data For Decisions

HR Data

- Data informed, utilize CUPA-HR DataOnDemand tools to make targeted pay adjustments to ensure that we retained highly mobile talent critical to our continued operations

Transparency

- Open sharing, broadly release to campus a report from the Huron Consulting Group identifying areas for budget savings and operational efficiency (pros/cons)

Activities

- Working with ABC Insights benchmarking data for efficiency opportunities

Solidarity

- Leading by example, leadership team took 10%-20% salary reductions while planned salary increases were suspended for campus

Governance

- Engage, partner with shared governance committees to develop a multi-year plan to streamline the cost of health benefits, pension & retiree health programs, and other potential employment actions

Key HR Actions at Bucknell



Expressing Empathy In Decisions

People First

Protect and care for all of our people in decision-making (students, employees, and community) – before, during and after COVID-19

Student Centric

Invest in our students, continue our efforts to increase our discount rate by maintaining or enhancing financial aid packages

Safety

Creating and maintaining safe residential College experience, develop multiple teams with disciplinary experts and shared governance partners to plan for on campus learning including:

- Modifications to the academic calendar and course scheduling
- Covid19 testing, isolation & quarantine facilities
- Independent contact tracing, revised safety protocols

Current

Remain culturally relevant, provide and enhances spaces for black and other minority voices on campus. Elevate the Diversity Equity and Inclusion lead role to a cabinet level position

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Lessons learned and advice for the future – a challenge of “trust” during transformation



1

Use good data for HR decisions

2

Demonstrate equity and empathy during the process

3

Avoid across-the-board cuts

4

Move fast but also be patient for change and always focus on building trust and show respect during the process

Keep the long-term in mind as you make short-term decisions

- Understand the strategic vision and communicate constantly
- Keep the key priorities and objectives up front for alignment and relevance (e.g. people, diversity, etc.)
- Demonstrate flexibility, rapid adjustment, and collaboration during dynamic environments

Thank You



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Pierre Joanis, *p.joanis@bucknell.edu*

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