ADMINISTRATION DIVISION
Strategic Plan 2015-2018

Our Environment

In laying out our strategic plan, we do so in a global, national and provincial context that has governments focused on financial challenges and therefore exercising increasing influence over the post-secondary education sector in an attempt to reduce or control the cost. Governments see opportunity in the application of technology and internationalization to drive educational and financial gains and in applied research to drive employment and economic benefit nationally. In their drive for differentiation, accountability, improved outcomes and increased productivity, the direction is change. At the same time, the focus and influence of students on the quality of their experience, the application of technology towards improved learning outcomes and the application and relevance of their educational choices to their future prospects has arguably never been stronger. An environment emerges for university administration that emphasizes efficiency, responsiveness and alignment. We will be challenged to show flexibility and adaptability. The relevance of our support services to the core mission of the university is under review and the efficiency and effectiveness of our departments is under the microscope. This is how it should be. As members of McMaster, our primary focus must be on how we support the quality of the student experience and the academic and research mission of the university. At times of financial challenge, we must be relentless in our quest to provide high quality administrative and ancillary services at a cost that maximizes the allocation of resources to our core mission. We should seek synergy and increasingly bring our skills to bear on an integrated basis. At the same time we must maintain a responsible stewardship role in an enterprise context and take initiatives functionally to the benefit of the University.

The Implications of FWI and "The Emerging Landscape" for the Administration Division

FWI envisages change. In discussing digital evolution, the President asks: "How should we conceive of learning in a digital age? And how should McMaster reconfigure itself in that context yet still remain strong to its identity, history and enduring values?"

FWI sets out 7 principles which follow (italicized to draw attention to key points directly relevant to administrators):

1. We are an institution devoted to the *cultivation of human potential.*
2. We will adopt a *multidisciplinary perspective*.
3. We will foster the distinct identity of this university, while at the same time continuing to recognize the *importance of collaboration and dialogue with sister institutions.*
4. We will place the highest value on *original thought* and on *innovation.*
5. We will ensure the integrity of our work by bringing *a critical view to all of our practices* —those which bear directly upon education and research as well as those less directly related.
6. Wherever possible, we will *reduce or eliminate obstacles to cooperation.*
7. We will acknowledge, and seek to integrate *an obligation to serve the greater good of our community.*

Its 3 priorities provide further direction to how administration can support the strategy:

1. Developing a *distinct, effective and sustainable undergraduate experience.*
2. Enhancing the way we see and *build connections between McMaster and the community.*
3. Supporting continuing excellence in research.

The following quotes from FWI provide further guidance on how we should support the academy (emphasis added):

- On looking forward, President Deane says:
    - ".. we need to press forward vigorously to *reconceive and then reassert the integrity* for which McMaster has traditionally been known"
    - "… we will need to *reassess and reinvent* much of what we do"
    - "My proposal to the university is that in the future we explicitly define ourselves as we have implicitly defined ourselves in the past, as a university dedicated in the broadest possible sense to the integrity of the academic mission, conforming to the principles and priorities that I have laid out here."

- On "what we need to do" the President says:
    - "Universities are by their very nature *decentralized and intolerant of regimentation*…"
    - "It is the wonderful paradox of intellectual discovery that linear progress depends upon a certain amount of *lateral exploration, a reality that needs to be acknowledged in both our structures and our processes*. At the same time we need to seek maximum alignment and integration."
    - "Success in this transformation will come when we are all as individuals engaged in the process and when our *mutual respect and cooperation bring us into optimal alignment*."
    - "What are the obstacles to *radical changes* you might wish to implement?"

In the report issued by the FWI Advisory Group (AG) entitled "The Emerging Landscape", the direction to administrators is made clearer. The strategy calls for empowerment; flexibility; de-bureaucratization; simplification and ideas! (emphasis added):

- "The AG recommends that the University give individuals, departments and Faculties *more autonomy to make decisions and perform the tasks* that are required to support and advance the vision and academic mission of the University."

- … and a further recommendation: "McMaster will make the following commitments consistent with a culture of integrity. These commitments apply to, and can be expected by, all members of the University community:

    - To provide an environment that *educates for capability*, considers *multiple perspectives*, supports individuals and instills an *inquiring, self-directed frame of mind*.
    - To promote civility, openness and *flexibility in its relationships and application of policies and procedures*.
    - To strengthen its internal community as well as develop and *sustain mutually beneficial connections and partnerships* with local and global communities.
    - To encourage reflection and radical questioning and *support responsible risk-taking."*

- "A critical factor in moving forward, which was raised in all of the task force reports, was increased flexibility across the institution. *Each group identified inflexibility as a barrier to creativity and innovation and recommended dismantling the overly restrictive bureaucratic processes that characterize many University policies, procedures and relationships. The AG supports this point of view, and urges the McMaster community to examine its methods and introduce flexible, streamlined and simplified procedures wherever and whenever possible.*

- "Individuals from all areas of the institution should be encouraged to *bring ideas forward* and share them within their departments, Faculties and units and beyond, as appropriate."

The Strategic Mandate Agreement (SMA)

As appropriate, the SMA is very much a direction for academic and research departments. It is the latest evolution of directional planning for McMaster. It sets out the strategic framework for the University as follows:

Vision of McMaster University

To achieve international distinction for creativity, innovation and excellence.

Mission of McMaster University

"At McMaster, our purpose is the discovery, communication, and preservation of knowledge. In our teaching, research, and scholarship, we are committed to creativity, innovation, and excellence. We value integrity, quality, inclusiveness, and teamwork in everything we do. We inspire critical thinking, personal growth and a passion for lifelong learning. We serve the social, cultural, and economic needs of our community and our society."

Mandate

As a research-focused student-centered university, we serve our community and society by nurturing and supporting the fulfillment of human potential: inspiring creativity and critical thinking, promoting an enduring love of learning and the habit of inquiry, and undertaking innovative research that extends the boundaries and enhances the efficacy of knowledge.

Priorities

McMaster has identified three priorities that will focus our efforts over the next three years and beyond:

1. Strengthening the excellence of our research and our graduate education and training, while seeking opportunities to integrate research more purposefully into our academic mission;
2. Developing a distinctive, personalized, engaging and sustainable student experience; and
3. Enhancing the connections between McMaster and the communities we serve, locally, provincially, nationally and around the globe.

Our 126 years of achievement and leadership demonstrate our ability to innovate and drive change. We will continue to capitalize on our strengths and build on our hallmark interdisciplinary, inquiry-based, research-focused approach to education and scholarship. This will accelerate the transformation already occurring in our programs, while expanding access and strategically increasing enrolment within a sustainable framework.

Given that our classroom space is currently used beyond its nominal capacity, enrolment growth is not without its challenges. To achieve the targeted growth that we are proposing, we will continue to develop creative approaches to teaching and learning. However, since some increase in physical capacity will also be needed, we will continue to explore options and locations, both on our campus and within the local communities that we serve.

Implications of Academic Strategies for the Administration Division

Faculties' drive for excellence, their financial challenges and competitive pressures are focusing resources on priorities and leading to calls for administrative support in the following areas:

1. Supporting the academic plan;
2. Minimizing research overhead costs;
3. Creativity in supporting undergraduate and graduate enrolment growth plans;
4. The engagement of students, innovatively, as partners in the services we provide;
5. Transparent and cost effective professional non-bureaucratic administration with demonstrated accountability;
6. Administrative alignment and efficiency driven by Mosaic;
7. The provision of support services, tools and technologies to facilitate organizational and technological transformation;
8. Continuous improvement in the state of campus technology infrastructure and increasing faculty support;
9. Faculty renewal and diversity through retirement programming and directed recruitment;
10. Attraction, retention and development of talent who will challenge us to be excellent;
11. Developing leadership capabilities that align with University culture and priorities;
12. Improving the community feeling on campus;
13. Stretching resources to facilitate rejuvenation of buildings and "creation" of space.

The Effect of Decentralization and the Promise of Mosaic

Like many Universities, decentralisation at McMaster is extensive. Where efficient, this is the right administrative model for McMaster. Hitherto, our decentralisation has been driven by:

- Organizational preference, not necessarily by efficiencies;
- Resource allocations, preventing enhanced centralized service, even where optimal;
- Old and independent systems that have precluded full effectiveness.

The promise of Mosaic is that through an enterprise system that is associated with revised policies, simplified and standardized processes, increased delegation/approval levels, point-of-entry data input and data warehousing, the university should begin to deliver on *FWI: The Emerging Landscape* and realize significant operational efficiencies and increased enterprise-wide business intelligence. Time saved can be reinvested in direct support of FWI. At the same time we need to improve flexibility and preserve the relationship-based model that currently drives McMaster.

In order to realize the opportunity, McMaster must be willing to review work assignments, processes and organization. Duplication, process hand-offs and unnecessary checks/audits could be eliminated to free resources. These opportunities must be explored by function in order to ensure the work is executed in the best place in the University. Both within our Division and across campus we should assign work and resources in the manner that optimizes outcomes for the university. We should eschew silos and "ownership". In all probability, new organizational designs will evolve, promising greater alignment.

In the short-term, the demands placed on the division to support implementation of Mosaic are intense. Each function is affected directly and strategically requiring a dedication of resources that renders

operational requirements very challenging. This will continue through implementation and post go-live, meaning the Division's capacity to deliver on new projects will be severely constrained.

In the longer-term, Mosaic is a platform on which we can build our Administrative strategy by providing excellence in transactional support and adding value in strategic advice. Once stabilized, we should focus on providing the techniques to users to leverage its value. Thereafter, with collaboration, we have a unique opportunity to deliver integrated functional solutions in support of our colleagues as they manage transformation.

Over time, the Division will gradually re-orient itself. Our core operating support work will be concentrated in specialist groups and increasingly become automated or self-serve, processed, as much as possible, at the point of origination. Resource allocation will follow this trend. Service cost will be a driver of the selected delivery model. Increasingly our work will be focused on strategic support, value-added consulting and program delivery. The Division will continue to resource the University's required stewardship functions.

Financial Implications of this Strategy

The Division has been under-resourced for many years, necessitating occasional sizable one-off investments, e.g. Mosaic; deferred maintenance. The new budget model promises some support through increases for compensation, but the reality is unlikely to change. The situation demands a high sense of personal accountability on the part of our colleagues if work is to be completed on a timely basis. Moving forward we will continue to be responsible budget managers by minimizing service cost increases through efficiencies as far as possible. We will utilize reserves to fund required cost increases (largely people) pending depletion of those reserves with the objective of deferring cost increases to faculties as far as possible. Ultimately, however, the university will need to address the latent issue of an under-resourced administrative function.

This structural funding issue is not independent of our systems. As noted previously, resources should be assigned across the university where the work is best executed. We must take advantage of Mosaic to review our processes and work assignments to ensure that we have optimized our resource allocation. Ultimately, it matters only that resources are assigned as efficiently as possible to deliver the core mission.

ADMINISTRATION DIVISION STRATEGY

VISION

We will be an outstanding administrative and ancillary service unit with a reputation for service quality, excellence in operations, reliable advice and expertise, agility and innovative partnerships. While investing in our people, students and community, we will help solidify McMaster as a world class leader in research and higher education.

MISSION

We are a team of professionals dedicated to providing the University with exceptional administrative and ancillary support services. In collaboration with others, we seek out new opportunities to equip the community with flexible, integrated and best practice solutions that enhance the student experience, facilitate the academic and research mission, and enable McMaster to lead with excellence.

VALUES

TRUST
RESPECT
ACCOUNTABILITY
INTEGRITY
TEAMWORK

Behaviours that exemplify the values are available on our website. Leaders are expected to adopt these behaviours and be prepared to be challenged on them. They will parallel those under development by TMG.

GOALS

1. **OVERALL:** to provide administrative and ancillary services in support of the academic and research mission and in delivery of the student experience efficiently and effectively, at a cost that is competitive and to a level of quality that reflects professional excellence.

   Metrics:
   1. Faculty, staff, student and user satisfaction survey index (baseline to be established 2015/16).
   2. Operate at a level of efficiency and effectiveness (as best determined) equal to G6 median or better.

   Strategies:
   - to improve our comprehension of academic and research strategies and organization in order to provide the right support to University/Faculty/ AVP strategies through a cost-effective service delivery model that best addresses need;
   - to align our services and priorities to our SMA, FWI and Faculty and department strategic plans, to seek out best value service delivery propositions and to define service levels and measure performance directly and through feedback;
   - to improve our understanding of the student experience and how we might, through our service offerings, collaborate in its enhancement;
   - while delivering core services effectively and efficiently, develop and provide professional infrastructural programs and strategic advice that enable delivery of the core mission while enhancing functional performance;
   - to innovate in our processes and conceive of ways of operating that increase effectiveness and to make change happen more readily in order to facilitate renewal and improve resource allocation;
   - to continually increase the transparency of divisional plans and operations;
   - to develop insights from our data, experiences and expertise that contribute to improving University outcomes;
   - post-Mosaic implementation, conduct organizational reviews to ensure optimal design, effectiveness and appropriate resource alignment;
   - to seek provincial, national and global perspectives on post-secondary education (PSE) sector strategies, best practices and benchmarks.

   Shorter-term (1-3 year) Objectives:
   1. Publication of our strategy.

2. Mosaic:
    i. Execution of project plans in Financial Affairs; Hyperion; HR & Facilities and stabilize post-implementation issues;
    ii. Leverage of Mosaic in strategic direction through policy and process simplification; leverage of business intelligence capability; expanded functionality;
    iii. Organization effectiveness reviews (including sustainment) post-Mosaic implementations.
3. Introduction of a standard cross-division/ancillary service survey.
4. Reviews of functional service delivery models and related standards and measurement.
5. Continuous review processes to seek out efficiencies in an attempt to minimize service cost escalation 2017/18 and subsequently.

Plans for later years:
- In conjunction with the academy, conduct a review of decentralised administration post-Mosaic to assess opportunities for efficiencies and embedded functional support.

2. **FINANCIALLY:** to optimize the financial resources of the university in support of the academic and research plans while ensuring appropriate stewardship of those resources and maintaining a risk profile that is in alignment with our appetite.

Metrics:
- Maintain bond rating (currently AA- stable) in relation to that of the Province.
- Meet debt policy targets.
- Investment returns quartile 1 or 2 against established benchmarks.

Strategies:
- to optimize the use of university financial resources in support of the academic mission;
- through responsible and sustainable financial management, secure a solid foundation for the core mission over the longer-term; ensure compensation costs are managed within affordability; ensure that funding strategies for: pension deficits, post-retirement benefits and deferred maintenance are responsible and affordable;
- working with the Provost and other members of the senior team, raise awareness of, and encourage informed discussion about, resource distribution within the University, including the budget model, as well as the broader and long-term financial context for post-secondary institutions in general and McMaster in particular. Execute the new budget model and refine as appropriate (jointly with Provost). Develop tools to improve utility;
- to stay informed of university strategy and ensure appropriate and adequate financial resources are in place including the development and execution of a debt management strategy in support of the Capital Plan;
- to review affiliates in areas of: financial management, risk management, cost recovery, synergies, and efficiencies against policies and best practices;
- to maintain investment policies that strike the right balance between risk and return in an institutional context given the purpose of the investment;
- to develop procurement strategies that drive best value acquisition across the university utilizing partnerships where optimal;
- to collaborate in the sector-wide exploration of the JSPP model of pension plans and determine whether it is financially prudent in the long-term.

3. **INFRASTRUCTURALLY AND OPERATIONALLY:** to build an infrastructure of facilities, systems and policies that allows the university to deliver on its strategic priorities in the most efficient and flexible way, consistent with responsible degrees of risk-taking.

   Metrics:
   1. Deliver services at a cost (as best determined) equivalent to G6 median or better.
   2. Meet top-level KPIs in each of the functional areas.
   3. Successful implementation of major projects.

   Strategies:
   - to champion and execute (jointly with PVP) the Mosaic project as the key to improved organizational infrastructure and to put in place the policy and process changes that drive simplicity, standardization and efficiency while maintaining or improving effectiveness;
   - to ensure emerging infrastructure is implemented successfully and serves to strengthen the foundation for FWI, SMA and organizational capability and effectiveness. To ensure that its sustainment is provided. To modernize and simplify our system infrastructure eg: movement to the cloud; space management;
   - to ensure the cost of our services is controlled thereby permitting the maximum allocation of revenue to the core mission. To pursue this goal through system introduction, improvement and integration; synergies; consolidation: benchmarking and best practices within the division and across campus;
   - to design a digital strategy in collaboration with academic colleagues and, where appropriate, student organizations to support student preferences and evolution of workplace technologies, including web, social media, smart devices and the internet of things;
   - to develop a project prioritization process for technology that aligns with university strategy and requires business case support of project proposals;
   - to maintain facilities and systems to acceptable standards and to increase the university's financial commitment to deferred maintenance and asset renewal;
   - to develop energy management strategies that would make a quantum change over time in consumption, thereby managing the costs of utility services as far as possible;
   - to develop new facilities in accordance with and to standards consistent with the campus plan and emerging educational and research needs and to complete projects within budget and schedule;
   - to ensure that the University's infrastructure provides for regulatory and policy compliance at acceptable levels of risk and cost;
   - to introduce and execute integrated capital planning processes ie: Capital plan and debt strategy; asset management; system maintenance and development;
   - to develop synergies between Administrative and ancillary groups and seek out efficiencies and synergies in broader university e.g. MIP; Legal Services.

4. **PEOPLE:** To build a culture and sense of engagement that facilitates the attraction and retention of faculty, professional and support staff and leaders with the talent and expertise required to deliver the academic and research strategy and administrative support at a cost that optimizes value to the university.

   Metrics:
   - Named as "Employer of Choice", "Top 100" or equivalent.
   - Deliver Collective Bargaining Agreements (CBAs) within mandates and reflective of McMaster's philosophy.

- Within the Division, maintain the Employee Engagement Index at or above baseline.

Strategies:
- To develop a people strategy for the university and a Human Resources plan that supports the strategy;
- to develop the HR function to focus on the cultivation of our internal human potential by providing partnership services to the university supporting strategy execution; organizational design; talent acquisition and management, leadership development and coaching, desired culture and related functions. Build these on an integrated basis from leadership capabilities;
- to facilitate and support a culture of continuous improvement, change-readiness, responsible risk-taking, policy integrity, respect and collaborative relationships in all initiatives;
- to invest in people as our key asset through development programs, participation in planning and recognition programs. To continue with the TMG plan to facilitate their continued role as an effective strategy implementation group;
- to develop the labour relations strategy and maintain a top-tier labour relations practice;
- to ensure that the University's employment cost structure provides value in relation to strategic objectives. To progress the pension and benefits strategy accordingly;
- to cultivate a positive and productive work environment for employees within the Division through engagement initiatives and reinforcement of divisional values including development and support structures to facilitate organizational change;
- to ensure excellence in core operational support and advisory services while striving to increase self-service. To leverage Mosaic in the reduction of cost and the evolution of programs;
- to maintain health and safety programs to facilitate employee health, reduce risk, optimize return to work and control costs.

5. **RISK MANAGEMENT**: to contribute to strategies and plans and to monitor operations to ensure that the University maintains a risk profile consistent with our appetite and the opportunities available to us.

Metrics:
- An index of acceptable findings in external and internal audits (under development).
- A measure of vulnerability to cyber-risk (to be developed).

Strategies:
- To ensure the University operates, and strategies are developed, within appropriate risk tolerances having regard for the opportunities available to us;
- to continue implementation of the new approach to Enterprise-Wide Risk Management;
- to increase cyber risk-awareness among Faculty and employees;
- in conjunction with Student Affairs and student leadership, to improve student event risk disciplines;
- to implement the recommendations of the taskforce on lab safety;
- to ensure operations comply with legislation, regulation, policies, and procedures.

6. **COMMUNITY**: to represent the university in the community through active engagement and to further student learning through educational project opportunities.

Metrics:
- VP and all AVPs/Directors will engage in at least 1 community or association activity.
- # projects with student participation.

Strategies:
- to encourage engagement throughout division in University and external citizenship particularly in sector associations;
- to support vision of expanded relationship with Cities of Hamilton and Burlington, e.g., major capital expansion;
- to support University strategy through undergraduate projects and community activities. Expand co-op placements, management training programs, etc.

7. **BUSINESS MANAGEMENT**: to manage the ancillary units entrusted to us as sustainable businesses able to deliver operating budget contributions at consistent levels within strategies that contribute positively to the student experience.

    Metrics:
    - Operating budget contribution of $4.5 Million annually after full cost recovery.
    - Student satisfaction measures (TBD)

    Strategies:
    - Each ancillary to develop a strategic plan with explicit focus on the student experience and competitive advantage.
    - Develop an advisory board structure to oversee and assist ancillary strategies.
    - Ensure that the debt structure of the ancillaries can be serviced comfortably while achieving full operating cost coverage and capital self-sufficiency.
    - Improve the cohesion among ancillaries to leverage strengths, partnerships and synergies.
    - Develop plans to realize the inherent revenue potential of a 30,000 person campus.

Key Risks to this Strategy

This strategy has been developed based on a reasoned assessment of risks that may impact its attainment. Major risks to the strategy include:

- Funding pressures, especially governmental, force accelerated productivity gains prior to capturing the benefits of Mosaic. Currently, operational dollars are not keeping pace with growth on campus. Current service levels are not sustainable without an investment in people;
- A collapse in investment markets increases legacy pension costs and/or constrains operating budget funding;
- If Mosaic does not deliver its promise through, for example, poor execution or failure to realize benefits;
- We cannot progress on strategies that facilitate student satisfaction at the speed we desire, leading to reduced attraction. This is probably highest in the IT space;
- Key person dependency is very high. In many areas, one person is responsible for key deliverables with no back-up. Senior staff is managing multiple portfolios and together with TMG staff is committed to work schedules that are not sustainable.