



Personnel Committee

January 26, 2023

Minutes

The meeting was called to order at 11:15 a.m. by Governor Gaffney in the Student Center Ballroom. Secretary Miller called the roll. A quorum was present.

Committee Members Present: Governors Gaffney, Kelly, Land (via video), Stancato; Noreen Rossi, Faculty Representative and Pramod Khosla, Faculty Alternate Representative; Hayden Johnson, Student Representative and Cordelia Krajewski, Student Alternate Representative

Committee Members Absent: Governor Barnhill

Also Present: Governors Atkinson, Busuito, and Kumar; President Wilson; Provost Kornbluh; Vice Presidents Burns, Ezzeddine, Lindsey, Massaron, Schweitzer, Staebler (via video), Stemmler and Wright; and Secretary Miller

APPROVAL OF MINUTES, SEPTEMBER 30, 2022

ACTION: Upon motion made by Governor Stancato and supported by Governor Land, the Minutes of the September 30, 2022 meeting of the Personnel Committee were approved as submitted. The motion carried.

ANNUAL HUMAN RESOURCES REPORT

In his opening comments, Governor Gaffney advised that moving forward, one aspect of rejuvenating the Personnel Committee will be an annual report on University Human Resources. He then called on Associate Vice President and Chief Human Resources Officer, Carolyn Hafner, to present the report on the activities of Human Resources.

AVP Hafner began with an overview of Human Resources, sharing a slide identifying the departments within the unit, what the future holds, its challenges and some data on the university's employees.

The University has over 8300 employees comprised of full-time regular faculty and staff, student employees and other temporary employees and is one of the largest employers in the city of Detroit and one of the largest in the state of Michigan.

Human Resources is responsible for the management and support of non-academic staff. Academic faculty and staff are managed in part through the Provost office, led by Dr. Boris Baltes, who handles academic personnel. Human Resources is responsible for payroll and benefits administration for all employees and has around 67 full-time staff working in 7 functional areas.

Human Resources has had a challenging history. Some of those challenges have included high turnover, outdated policies, procedures and systems and inconsistencies that led to ineffectiveness, inefficiency, low credibility, low staff morale and silos. To move forward, the plan is to build a foundation in Human Resources in order to be able to serve the University and its employees to the very best and at the highest level of excellence possible and align with the University's strategic goal of financial sustainability and operational excellence. An analysis of the department's strengths, weaknesses, opportunities and threats (SWAT) identified what needs to be done going forward to fill those gaps.

Ms. Hafner discussed some of the initial goals of the department, which include establishing credibility, and becoming an indispensable business partner with all employees and leadership, striving for absolute excellence, putting employees and the institution first, and to make Wayne State University a premiere employer. A premiere employer means that prospective employees seek the University out because the University values its employees. The University is an opportunity for them to grow in their careers and be well compensated with good benefits that reflect the University's values and goals that are aligned with the University's strategic plan.

Ms. Hafner next described three major pillars identified for improvement. Those include retaining excellent people who are experts in what they do, implementing best practices so that processes allow the University to be effective and efficient, and having state-of-the-art technology that enables streamlining of those processes, better reporting and analyzing to determine if the right activities are in place in order to achieve established strategic goals and objectives.

Over the last 3 years, the department has made great strides, and a number of their accomplishments have made a major impact not only to Human Resources but to the University, including hiring some excellent staff, and making a significant investment in training and professional development. The Organizational Employee Development team has created the HR Leadership Academy, which is a framework for HR. The long term plan will be a framework for professional and career development for the University as a whole. It will include training employees to be successful in their roles and identifying the skills and the characteristics that are needed for them to advance in their careers. Preparing and developing University staff internally decreases the need to go outside the University every time there is a vacancy.

Progress has been made in stabilizing the department - many vacancies within HR have been filled, and promotions have been made from within the department. Ms. Hafner believes that having staff who are experts in their fields is one of the ways HR will prove its credibility. There has been investment in training, development and professional certifications in various areas of Human Resources

Employee recognition and engagement informs staff that they are important and the work they do is valuable. As a result, turnover has gone from 50% to 75%. This is the kind of turnover where staff are being promoted and are taking promotional opportunities not only

within the University but in a few cases outside the University. The experiences that they received at the University enabled them to be ready for the next level. HR is working more closely with partners all over campus, inviting them to be a part of all of the HR initiatives, serving on HR committees, reaching out to them for advice and counsel, and this has helped to reduce silos.

In terms of processes, one major initiative was centralization of the data entry team. A function was created within HR that did not previously exist, called HR Analytics and Reporting, which centralized the data entry function. A data integrity function and an analytics reporting and process improvement function were created within this unit. HR Analytics and Reporting ensures all transactions are not only entered on time but are entered accurately. This has improved University data integrity by 33%. A previous error rate of about 55% has been improved to 22%. The ultimate goal is to have an error rate of less than 2%. The work of this team enabled an audit rating by the OFCCP of full compliance .

In other areas of the department, processing times have been reduced in areas including Payroll, Benefits, and throughout Open Enrollment, and through creation of the virtual New Hire Orientation, a new Contract Administration function. HR has 14 contracts that had not formally been managed, but now, because there is a competitive bid process for all of the contracts, there is insistence of better service at a lower price and stronger relationships with vendors. This year it has saved nearly \$1 million in the contracts negotiated so far.

Building better relationships with union partners has been a priority. Five contracts have been negotiated and there are three in progress to date. The Employee Relations team and HR Client Services team have been collaborating to work with employment matters as they arise, hoping to resolve issues where possible before a formal grievance hearing process. This work with employees and their supervisors has resulted in a now 81% completion rate for grievances.

HR has worked hard to support the strategic goal of financial sustainability by managing and monitoring the HR operating budget, the benefit contracts and the other 14 contracts previously mentioned, with an impact of saving the university a total of \$9.4 million over the last 2 years.

In terms of innovation, many changes have been implemented, moving from the annual and heavily paper-driven processes to new systems and state-of-the-art technology, including the addition of a new performance management system. HR is in phase 2 of the applicant tracking system called Wayne Talent. There is a new Benefits Administration system, which automated open enrollment and reduced those processing times.

Ms. Hafner commented on the many changes that occurred during the pandemic, the shift to remote, and then to a hybrid system, and the changes that HR needed to make to ensure that the thousands of personnel transactions continued to get processed, payroll and benefits administered, and that all other functions were carried out, all while

individuals dealt with their own personal illnesses and family issues. She commended her leadership team, their commitment to the University and to HR, for their work during this period.

With regards to talent acquisition, Ms. Hafner advised that recruitment and retention is a major issue nationally for employers everywhere and the University is no different. HR has worked to streamline the talent acquisition process (from the point of vacancy through orientation and acclimation) to improve hire times and recruit effectively. This has included reducing the wait times for background checks to move the process along. A new firm has been retained, and has assured the University that background check wait times will be 3 business days and/or no greater than 5 business days. There will be future integration of the system so that HR can implement workflows and hire more quickly.

Ms. Hafner touched on her team's commitment to retention and workforce and success planning, and the challenges of managing organizational change. The last 3 years have seen staff burnout, and with individuals leaving the HR professional nationally, recruiters are looking to Wayne State for talent, thus adding pressure to retain Wayne State HR staff amid the rebuilding work underway.

One of the issue confronting HR is the aging workforce. The average age, including both represented and non-represented personnel, is 46. The non-represented academic employees, including deans, chairs, assistants and associate deans, have an average age of 57. Within the executives, the average age is 55. These numbers are important because the age for eligibility for retirement is 55. The pandemic trends have shown that work priorities have changed as a better quality of life has become more important. HR is focused on being proactive, preparing for what could potentially occur. This includes identifying ways to save on recruiting costs by developing internal talent and maximizing and capitalizing on institutional knowledge.

Regarding hiring numbers, over the last 3 years the university has hired over 4600 people, with the highest numbers in non-represented non-academic staff and student assistants and temporary employees. Typical hiring is from the outside the University, excluding the students and the temporary employees and including academic, 12-month faculty, part-time faculty, and 9-month faculty. In terms of promotions, there were over 1400 people promoted over the last 3 years, with an uptick in 2022 due to a hiring slowdown.

In terms of separations, over the last 3 years the level held steady. The University offered an early retirement program for faculty and academic staff and saw some resignations in 12-month research faculty. Overall the University turnover rate, once students and temporary staff are excluded, is comparable to the national average.

Turning to the university's benefits program, those include healthcare, medical, vision, dental, long-term disability, paid time off and retirement options. There are 5 different medical plans from a Blue Cross Cadillac plan to a lesser expensive Priority Health plan. The differences in these plans are the level of access, but they have similar coverage. There are 5000 benefit eligible employees included in these healthcare plans. Ms. Hafner

advised that the retirement plan is unmatched. The 403b retirement plan is a 2 for 1, where for every dollar put in the University matches up to 10% of an individual's salary. Participation is across the board, and about 92% of those who are eligible participate.

In terms of unionized employees, there are 8 different non-academic unions, including professional/administrative staff, IT, accountants, budget analysts, clerical, and facilities staff and there are ongoing efforts to improve relations, not just in hearing and resolving grievances, but also in building closer working relationships. The Labor Relations team of 2½ people, coupled with the client services team, are actively involved in helping resolve matters as quickly as possible.

As part of recruitment and retention initiatives, Ms. Hafner advised that HR worked in collaboration with the College of Liberal Arts and Sciences to administer a survey to find out why people stay at Wayne State. The survey had a 26% response rate, and the feedback received indicated concerns about leadership, about potential job insecurity, potential turnover amongst women and, engagement by our colleagues in the LGBTQ+ group of employees. The data will be analyzed, and professional development plans will be created to address different types of issues identified, which should help improve employee morale and improve retention rates.

Exit interview data over the last several years indicates that a lot of work that still needs to be done. The data was not consistently received for everyone who left the institution. From those who did respond, about 2/3rds indicated that they would recommend someone else to Wayne State, or would return themselves. Those numbers are down from where they had been in previous years, with work schedule and workload as factors in why someone left, along with the nature and type of work assignments. In terms of the University, two areas stood out, which included leadership and the lack of career advancement opportunities.

Regarding compensation and benefits, the Society for HR Management, called SHRM, the leading HR professional organization, indicated that the top 3 reasons that people leave typically are compensation, workload and supervision. In 2022, compensation was one of the leading factors in why people are leaving. The November jobs report put out by the Department of Labor noted that there are 10 million vacancies nationwide. The University has a process issue that will be refined in the exit interview process to make sure that everyone's reasons are documented, that the information is communicated back to leadership, and the appropriate changes are made.

The floor then opened for questions. Governor Kumar thanked AVP Hafner for her presentation and for her and her team's achievements. He then asked whether there is an established happiness or satisfaction index of employees. AVP Hafner noted there was not but referred to the annual engagement survey. Governor Atkinson asked whether the University measures the DEI goals for contractors. Ms. Hafner advised that the Procurement department, led by Ken Doherty, monitors and measures. Governor Atkinson asked whether DEI goals are something that the University insists upon with, for example, the 14 contracts mentioned earlier and in RFPs. Ms. Hafner advised that DEI

questions are asked, and President Wilson indicated that there is a report on that every year.

Governor Kelly thanked AVP Hafner and her team for the comprehensive and thorough report. She then asked for a general statement about HR goals for the coming year for fixing or meeting the challenges that HR is faced with. AVP Hafner advised that there will be continued concentration on strengthening University staff and their technical skills and expertise and a deep dive into processes.

According to the deans, business affairs and other leaders across campus, onboarding is a real pain point and will be addressed with improvements from talent acquisition to the onboarding process from beginning to end, and all steps of the process. Technology improvements will continue with the Cornerstone system and tools in place that enable automation, which allows streamlining and better reports on data.

Governor Land thanked Ms. Hafner for her report, and for a great presentation. Governor Stancato also thanked AVP Hafner on her presentation and asked her to elaborate on Wayne's flexible work policy and its impact on hiring and retention. Ms. Hafner noted that the policy requires that employees work on campus, onsite 3 days a week and allows for remote work 2 days a week. The policy gives leaders the flexibility to make exceptions to that based on the best interest, mission and goals of their department and the needs of the individual employee. The University expectation is to revive campus life and when the policy was last assessed at the end of September, there was high 90% percent success rate from an employee standpoint. There has been a paradigm shift in the thinking of leadership and a willingness to work through challenges. She believes it has been working well and will be reassessed.

Governor Gaffney commented that today's presentation will be the baseline for those HR metrics and that each year hereafter, the board will have metrics to look at and compare. One of his goals is to improve on the relationship between the University and its unions. He then asked if AVP Hafner for a a report for the Board about the bottom tier of wages here at the University. He noted that he serves on the Mayor's Workforce Board and they try very hard to begin with a minimum wage of \$15 an hour. He would like a report on how many of Wayne State jobs pay less than that, what jobs they are and whether the university can consider changes in that area. VP Massaron asked Governor Gaffney if he was referring to full-time employees. Governor Gaffney indicated that he wanted a report on all of the staff at the University.

Professor Rossi, adding on to the wages report that Governor Gaffney requested, noted that looking at the comparable salaries of competitors would provide some insight into what the future challenges are, not just with the minimum wage. VP Hafner suggested that Professor Rossi reach out after the meeting, so that they could talk more specifically about these issues.

INTRODUCTION OF THE CHAIR - COALITION OF UNIONS

Governor Gaffney introduced Maureen Kemp, the newly elected Chair of the Coalition of Unions at Wayne State University. He advised that she is a stationary engineer, the steward of her bargaining unit and just recently became the spokesperson for the coalition of all the represented employees.

Ms. Kemp thanked Governor Gaffney for the invitation to attend the meeting, and focused her comments about some areas of employee complaints, many of which are related to staffing and communication. The number of custodians is down, and she believe the evidence of this can be seen all over campus. Grounds used contractors last summer to complete work and vacancies in that department have not been filled. Trades have been 2 years without a contract and a seniority matrix is being advocated. She believes that attracting new hires in this type of environment has been a challenge.

Ms. Kemp, herself an engineer, noted that she is speaking to the board to advocate for her department regarding staffing. She advised that engineers are essential personnel responsible for operating, maintaining, troubleshooting and repairing environmental systems for heating, cooling, air conditioning and all associated equipment for the university. Engineers test water systems and insure that students and staff are not exposed to Legionnaire's disease, they install proper ventilation systems to prevent and reduce potential hazards and check sprinkler systems so they operate. Engineers are the first response for fire emergencies or any other safety hazards in or affecting university buildings and they are members of International Operating Engineers Local 324.

She believes that the administration has been downgrading and eliminating positions in the department with no regard for the repercussions of their actions and the new hires have not kept pace with the departures. There are about 20 vacancies now in a department that was already spread thin. She questioned the inaction in filling vacancies with qualified people who applied and never heard anything from HR. She does not know where the problems stem from in filling these positions, and indicated that she had been told that there were no qualified applicants, yet qualified engineers contacted her and let her know they had applied and not heard anything.

She advised that her department is down to 45 engineers to cover the entire campus. Engineers work 3 shifts 24/7, 365 days a year. Engineers have been working without the assistance or access to building automation controls for almost a year. She believes that failures have occurred that could have been prevented if the department was properly staffed and advised that these inconveniences and possible safety and health hazards for employees, campus visitors and students who occupy buildings could be lessened. She closed her comments by describing the impact of the vacancies on the remaining engineers, which has caused burnout and that valuable employees have resigned. She believes the ramifications affect everyone on campus. She thanked the committee for letting her speak on behalf of her unit and other department on campus to advocate for staffing. Governor Gaffney thanked her for her comments.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:17 p.m.

Respectfully submitted,



Julie H. Miller
Secretary to the Board of Governors

DRAFT