

Problem analysis follow-up: proposed solutions

On 13 November 2013, the board approved the senior management team's plan to initiate a process to follow up on the academic development process. The objective of the process was to identify and address the most significant problems the university faces in the wake of the major reorganisations.

In this document, the senior management team proposes decisions to address the problems that have been identified at Aarhus University.

The proposal has been developed on the background of a thorough internal analysis that focussed on the delegation of managerial authority and accessible management, the organisation of the faculties and administrative support. Staff and students were extensively involved in the analysis, which was performed by an internal group of experts. The expert group's report was commented on by an analysis panel consisting of staff and student representatives. The analysis panel endorsed the expert group's main conclusions and drew attention to the need for an inclusive style of management and for fuller exploitation of the possibilities for appropriate formal and real delegation of authority. While the expert group's analysis also acknowledges that it is important for the university to be a unified whole, it also emphasises that this must also be combined with strong, academically meaningful local units and inclusiveness with regard to the university's breadth.

The desire to create the best possible conditions for ensuring academic excellence and high quality in the university's core activities and respect for the university's diversity and need for flexibility are fundamental to the proposals in this document. These include concrete proposals for changes with regard to the delegation of authority and the accessibility of management, inclusion, communication, the organisation of the faculties and administrative support. It is not proposed to alter the university's overall structure consisting of four faculties and a unified administration, as the senior management team wishes to maintain the university's robustness in relation to increasing external demands. This robustness, along with academic excellence, is crucial to ensure that the university can continue to maintain and improve its current position as an internationally recognised research-intensive university.

The proposal will be subject to a university-wide consultation from 15 August until 19 September 2014, after which the senior management team will present its final decision and plan for the next stages in the process.

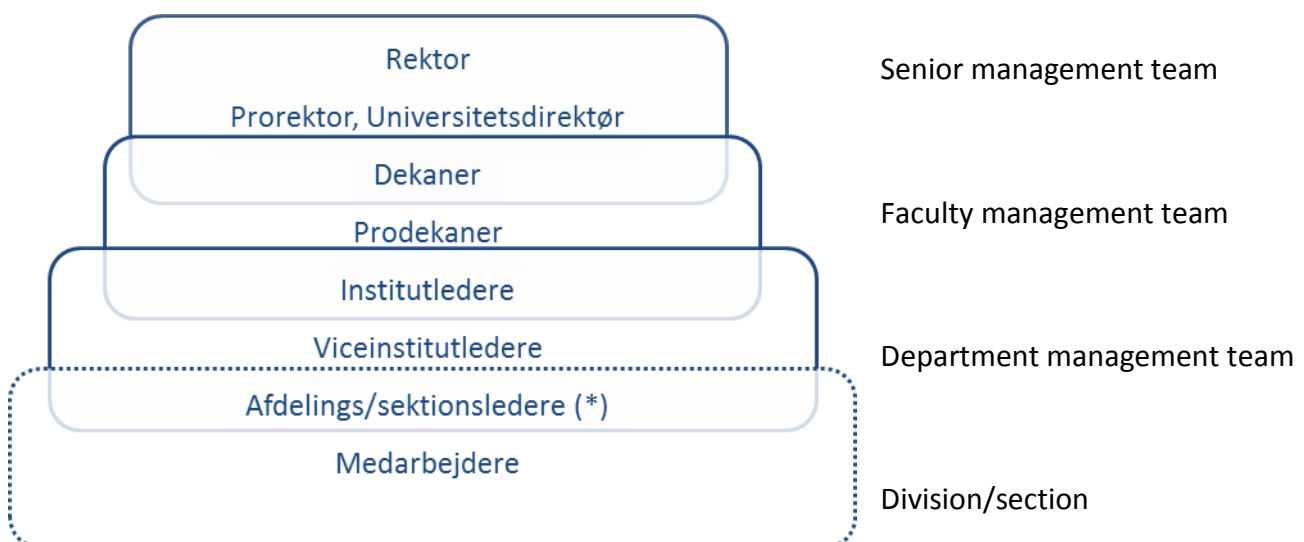
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I. Delegation of managerial responsibility and accessibility

There is a need for better and genuine staff and student involvement in central decision-making processes. An inclusive management practice requires, among other things, a coherent management structure based on a clear division of roles and responsibilities. It is therefore proposed that management teams be established at all levels of the organisation to which clear authority and decision-making powers are assigned. As can be seen from the figure below, the idea is that managers also participate in the management of the level just above. The intention is to involve the individual managers in decisions that affect their unit, while at the same time ensuring that decisions, for example at faculty level, are made on the most informed basis possible in relation to the departmental level. This will promote coherence right across the organisation as well as ensuring the increased involvement of a wider group.

Outline of management levels at AU showing the various management teams:



(*) Not all departments have a need for divisions/sections, so flexibility is required in relation to any suborganisation. This should be decided at departmental level with the involvement of the employees. In addition, AU has several units (major centres, national centres and schools) of a department-like nature. In the above figures, these units are treated like departments.

- The senior management team consists of the rector, the pro-rector, the university director and the four deans. The senior management team draws up the university's overall objectives and budget, which is approved by the AU Board. The senior management team approves the faculties' and the administration's budgets and agrees their performance targets. Moreover, the senior management team considers issues that are common for the entire university.

- The faculty management team comprises the dean, the vice-deans and the department heads. The faculty management team prepares the faculty's overall objectives and budget, approves the departmental budgets and agrees the departments' performance targets. The faculty management team determines the budget for the faculty's administrative centre. Moreover, issues are considered that are common for the entire faculty.
- The department management team consists of the department head, the deputy department heads and any division/section managers. Involving the relevant staff members, the department management team prepares the department's budget and agrees performance targets, where necessary. The department management team approves the budgets of any divisions/sections and agrees their performance targets. Moreover, issues are considered that are common for the entire department.

An important prerequisite for genuine involvement is a higher degree of delegation of decision-making power to the local management level, thereby ensuring sufficient local managerial freedom. Finally, the management's presence and visibility is all-important. This means that the large departments and other units must be organised into a suitable number of divisions/sections so as to ensure the presence of the management and the genuine involvement of staff and students. All managers must be visible and maintain a presence in the academic or administrative environments for which they are responsible. The members of the senior management team must be more visible and maintain a stronger presence at the faculties, and through dialogue they must contribute to the exchange of ideas, arguments and views and ensure timely involvement.

It is proposed that

- The deans delegate responsibility to the department heads, and that they work with the department heads to identify areas suitable for delegation. The idea is to strengthen the department heads' managerial freedom and thereby strengthen their scope for involving staff. (In the case of departments with large divisions/sections, the department heads and the division/section managers must identify the areas in which responsibilities can be delegated to the division/section managers). Delegation is particularly important with regard to finance, appointments and dismissals, as these areas are central to the departments' and the academic units' day-to-day operations. Described in further detail in the next two sections
- The senior management team, in particular the deans, must, together with the vice-deans, identify areas in which further responsibilities may be delegated to the vice-deans in connection with their duties in the core-activity areas, thereby enhancing their decision-making power in academic matters. On this basis, the senior management team will decide on the role and responsibilities of the vice-deans for the core activities.
- For those faculties where this seems appropriate, the deans and the faculty secretariats (formerly the dean's secretariat) will move from building 1430/1431 (Ndr. Ringgade 1, 8000 Aarhus C) to offices in the academic environments. The deans will retain some offices in building 1430/1431 to facilitate their attendance of senior management team meetings.

A. Finance and budget

The need to involve the department heads in the faculty management is closely associated with AU's financial model, according to which the departments are the main economic units. The department heads must have regular access to clear and complete financial reports. The department's share of appropriations under the Danish Finance Act and other external revenue must be clearly laid out and specified so as to allow the department to monitor earnings closely and influence these through its activities. The same applies to costs, including not least the administrative costs for the administrative centre and for the central administration as well as contributions towards the senior management team's pool and other shared costs. It is crucial for the departments to have a complete overview of and control over their finances. Consequently, full transparency must be ensured in this area.

The delegation of financial responsibility is therefore to be based on the following key principles:

- a. Full transparency in respect of the faculty's and the departments' revenue and expenses
- b. Scope for supporting the development of high academic standards and improving earnings through the department's own activities
- c. The faculty is regarded as a single economic unit, and the faculty management team is jointly responsible for ensuring that all the departments can operate responsibly.

In addition, it is important that the departments, faculties and the university as a whole can engage in long-term financial planning.

It is therefore proposed that the delegation of financial responsibility be based on the following principles:

- All economic units work with four-year budgets
- The departments' overall budgets and their performance targets are determined by the faculty management team as a whole.
- The faculty management team decides on the distribution of funding earmarked for the faculty's joint purposes, e.g. redressing any imbalances between the departments due to the fundamentally different conditions under which they operate. Financial room for manoeuvre for strategic initiatives and risk management is ensured at faculty level.
- The faculty management team decides which part of the departments' revenue (e.g. FTE revenue, completion bonuses, basic funds and contract funding) should be channelled directly to the departments and based on what principles. This will make it possible for the departments to improve earnings and develop the quality of their core activities.
- The financial model for the individual faculty must ensure full transparency as regards all the faculty's and the departments' revenue and expenses.

B. Appointments

An important prerequisite for staff involvement is that the departments have more influence on the employment processes, and that the department heads involve academic staff in appointments for academic career positions (such as assistant professor, researcher and tenure-track positions) and also in connection with the appointment of associate professors, senior researchers, senior advisers and professors. In addition, the department management team must involve relevant employees in connection with the appointment of technical/administrative staff.

It is proposed that

- The faculty management team must ensure efficient employment procedures which clearly describe the division of responsibilities, quality targets and employment criteria. The procedures must be submitted to the Academic Council and the relevant departmental forums. The procedures must also respect the items below
- Within the framework of the department's approved budget, the department management team is responsible for the employment of all technical/administrative staff members at the department
- Within the framework of the department's approved budget, the department management team is responsible for appointments of academic staff members in fixed-term positions at the department with the exception of career positions such as assistant professor, researcher and tenure-track positions.
- Within the framework of the department's approved budget and in accordance with the department's strategy, the department management team can initiate the advertising of new positions as assistant professors, researchers, tenure-track positions, associate professors, senior researchers, senior advisers and professors. Prior to advertising such positions, the department management team is obliged to consult with the department's associate professors, senior researchers and professors – or a subgroup of these – regarding the position(s) to be advertised. The subgroup must be broadly based
- The department management team appoints an assessment committee according to the faculty's guidelines. Prior to appointing the committee, the department management team consults with the group appointed in connection with the advertising of the position(s).
- The department management team decides on the selection of candidates for job interviews and holds these once the assessments have been received. A representative from the faculty management team may participate in the interviews
- Prior to submitting a recommendation to the dean, the department management team consults with the group appointed in connection with the advertising of the position(s).
- The dean ensures that the assessment of the suitability of the candidates for the advertised position(s) takes place in accordance with the applicable rules and decides whether the recommendation for appointment may be accepted.

II. Staff and student involvement

Better use must be made of the existing framework for staff involvement. Staff and students must be involved in the decision-making processes as early as possible, thereby increasing their access to expressing their opinions before decisions are made. It is proposed that a small number of new formal bodies be established for the purpose of involving the students in matters relating to their studies, the degree programmes and the study environment. A main focus point will be the

provision of greater scope for genuine involvement, e.g. of the academic councils and departmental forums, thereby allowing them to play a more prominent role as idea generators.

It is proposed that

- The individual deans, in consultation with the chairman of the academic council, decide how the academic council may be involved to a greater extent in planning, holding and following up on the academic council meetings, and how it can be ensured that the academic council has a chance to discuss important future decisions prior to such decisions being made. Furthermore, it must be decided how good ideas and input from the councils can be forwarded to the senior management team. The decisions made for the four faculties will be reported at the seminar for the academic councils to be held in November 2014
- In consultation with staff, students and the selected liaison committees at department level, the department head decides how the department's selected forums may be involved to a greater extent. The decisions will reflect local needs and local differences, but focus must be on timely involvement and on improving the employees' knowledge base.
- The department heads are responsible for holding staff meetings (at least two a year) and must inform staff of the department's quarterly forecasts and budget.
- As a part of their organisation, the two new core-activity committees must present a proposal on how it can be ensured that staff and students are provided with insight and involved in the work.
- The senior management team will meet with the student political organisations and discuss how to involve students and PhD students more in the decision-making processes which are important to them. One option would be to set up a body of representatives from the student political organisations and from the senior management team with a view to discussing the study environment and the evaluation of teaching activities and with a view to exchanging information about the parties' views on future challenges and how to best work together to address them. Moreover, establishing a committee at faculty level may be fruitful as a way to enabling the dean to meet regularly with students and PhD students. Finally, it is important to discuss the roles of the boards of studies and the PhD committees.

Any changes to the liaison committees and the occupational health and safety committees will await an imminent evaluation and have therefore not been included here.

III. **Organisation of faculties**

On the background of the expert group's report, the analysis panel's recommendations and staff and student contributions submitted to problemanalysen@au.dk, there is reason to take a closer look at the structure of the departments and the internal organisation of the departments. At the

moment, there are places at the university where employees' academic and professional identities are not thriving. The reasons for this are many, and they vary from faculty to faculty. Nonetheless, it is clear that not all departments are perceived as appropriate academic units by their employees. It is also clear -not least from the analysis panel's comments - that although a review of the structure of the departments is necessary, it is important not to jump to hasty conclusions, and that changes be discussed in an inclusive process.

It is proposed that

- A review of the structure of the departments at all faculties be carried out in order to ensure that the organisation of the departments provides appropriate support for academic disciplines and for cooperation. The structure of the boards of studies should be included in this review, among other reasons with a view to strengthening the students' influence. The deans will be responsible for the review at their respective faculties, and the review must be complete by the end of 2014.

The review process must ensure motivation and co-determination with regard to the organisation of the departments/departmental structure and must:

- a) Be broadly inclusive
- b) Be given the necessary time
- c) Take place with due consideration for other ongoing processes, for example follow-up on the WPA, research and teaching responsibilities and the financial situation.

IN addition, it is proposed that

- To the extent that the review results in a proposal to change the structure of the departments or the internal organisation of departments, a schedule and process plan must be developed with input from staff detailing how the change can be implemented.

In connection with the review, the deans must account for how academic excellence and cohesiveness at the departments will be ensured in the future.

Finally, it is proposed that

- The deans of AR, ST and BSS focus on the following issues in connection with the review:
 - a) AR: In their comments on the expert group's report, employees at the *Department of Education* have argued in favour of a more flexible internal organisation, in part on the grounds that visibility in relation to external partners is particularly important at this department. The possibilities for providing support for EDU's special academic and organisational needs within the faculty framework and for strengthening the department's external visibility must be elucidated, and these needs must be met to the greatest extent possible.
 - b) ST: The faculty's *engineering activities* have a particular need for a clear structure and visibility in relation to industry and potential applicants. Needs with regard to a clear and distinct profile must be elucidated and met to the greatest possible extent.
 - c) BSS: The faculty's business activities have a particular need for visibility in relation to industry and potential applicants. In addition, a significant group of employees at the Department of Economics and Business has expressed concern that the business degree programmes are not sufficiently visible. The review must therefore assess the extent to which structural changes are necessary out of consideration for the business degree programmes and whether they are profiled appropriately. The result of the current EQUIS accreditation process must be taken into account in the review.

IV. Communication

The expert group's report and the analysis panel's recommendations indicate that there is a need to improve management's communication with staff in particular, so that it becomes based on dialogue and contributes to the exchange of ideas, arguments and viewpoints as well as ensuring that employees are included in due time. At the moment, the senior management team's communication is often perceived as unreasoned or as out of context in relation to employees' daily working lives. At the same time, department heads often have difficulty in assuming ownership of the management's decisions, because they either do not feel that they have been included in the decision-making process or because they do not receive replies to the many consultation responses the departments submit. For this reason, it is necessary to work with inclusive management communication at levels of management in a focussed way. With regard to external communication, a need to increase the visibility of faculties, departments and disciplines has been put forth, as well as for a greater respect for the scientific or scholarly content of the messages that are communicated.

It is proposed that

- Communication practice and strategy be revised, so that internal communication is based on dialogue and the exchange of ideas and arguments to a higher degree. External communication must have a clearer scientific and scholarly focus. Employees and students must be included in the process of revising communication practice and strategy.
- The university's website must be fundamentally revised in order to increase usability for both internal and external users.
- The branding strategy must be fundamentally revised and renamed. The current practice of de-emphasising local units must be altered, so that a free choice may be made to emphasise university, faculty, department or centre level with regard to profiling. Employees and students must be included in the process of revising communication practice and strategy.
- Employees with responsibility for communication, academic staff and local management teams must have closer physical proximity.

V. Administrative support

It is necessary to simplify the organisation of the administration, which is perceived as complex and inflexible in relation to the local needs of the academic organisation. In particular, there is a desire for an increased focus on proximity to users and prioritisation of administrative services. The opportunities for cooperation across the administration must be improved, and there must be cohesion in the administration across the university, to be ensured by the retention of the unified administration in combination with a significant degree of flexibility with regard to the local needs of the academic organisation. Administrative support must be based on a broader definition of quality that includes professional competence, a high degree of knowledge of local conditions, quick reaction times and coherent administration. In addition, it is necessary to create greater understanding of the administrative needs of the individual faculty as well as of the university as a whole. Finally, the administrative financial model must be made completely transparent, so that the balance between payment and services rendered can be adjusted appropriately. Changes made to the administrative structure must take place in collaboration with the liaison committee structure and in dialogue with the employees affected by them.

It is proposed that

- The administration centre managers assume managerial responsibility for the administration centres (currently front offices), including personnel responsibility, so that the balance between payment and services rendered can be adjusted more appropriately. The administration centre managers refer both to the university director and to the relevant dean, and must maintain a close, running dialogue with deans and department heads regarding the concrete services provided. The reference to the dean ensures that the faculty has control over the expenses related to its administrative centre, and the reference to the university director ensures coherence across AU while at the same time meeting local needs. The administration centre managers must still be members of the university director's management team together with the deputy directors, but in a more equal relationship. The local faculty administrations must no longer be called 'front offices' and must be termed 'administration centres' instead.
- The decision regarding the most appropriate physical location of individual employees in the administration centres should be taken at a local level by the department head, the dean and the administration centre manager with due regard for the performance of duties, professionalism and finances. The concrete decisions regarding what services the administration centres provide to the departments and the relationship between the administration centre and the department secretariats must also be agreed locally between department heads, the administration centre manager and the dean.
- The faculty management teams determine the level of administrative support to be provided to the departments in collaboration with the administration centre managers,

which ensures a minimum quality standard. If department heads would like additional administrative support, the departments must bear the expense and require the dean's approval.

The organisation of the administration centres must be flexible, and it is no longer necessary that the administration centre's organisation precisely reflects the organisation of the central administration because of the change in reporting relationships. This makes it possible to allow the administration centre's organisation to more closely reflect the differences in the faculties' portfolios of tasks and responsibilities and their need for administrative services.

The reporting relationships at the highest level of management in the administration centres will be changed, and this should take effect as quickly as possible. The concrete process will be announced after the consultation process if the proposal finds support.

In this model, the number of employees in the administrative divisions would be considerably reduced, as would the tasks and responsibilities of the administrative divisions. This indicates that the number of administrative divisions can be significantly reduced, which would reduce the need for internal coordination in the administration. Another strength of this proposal is that the university director's management team would be smaller and reflect a better balance between the activities of the central administration and the four administration centres.

It is proposed that

- Mergers between the administrative divisions take place, so that their number is reduced from nine to four or five.

One possible scenario might be the five administrative divisions below. However, the final decision regarding mergers will await the results of the consultation process:

- a) Finance and Planning
 - b) HR and Communication
 - c) IT
 - d) Degree Programmes
 - e) Research and Business Collaboration
- 'Back office' is replaced by 'the central administration'.
 - The administration division the Rector's Office is converted into a secretariat whose employees refer directly to the rector and which is responsible for administrative support for the senior management team.
 - A small project and portfolio management group will be established with direct reference to the university director to ensure efficient, professional management of projects at AU.

The central administration's primary tasks and responsibilities will be centred on university-wide tasks, tasks involving economies of scale, and specialist functions. However, a more detailed description must await the subsequent administrative process in which the division of responsibilities between the central administration and the administrative centres will be determined. The central administration also has overall responsibility for administrative quality, including processes and policies that apply to the entire university, in accordance with decisions made by the senior management team as well as applicable legislation.

A pre-condition is that the central administration and the administration centres work efficiently and cohesively, and that their performance is proactive and solution-oriented on the background of a thorough understanding of AU's activities as a whole.

The merger will entail changes in reporting relationships in the highest levels of administrative management. The concrete process for this will be planned during the consultation process.