

**A REVIEW OF THE
ADMINISTRATIVE REORGANIZATION
OF THE UNIVERSITY OF HAWAII
AUTHORIZED BY THE BOARD OF REGENTS
ON NOVEMBER 15, 1985**

A Report to the Governor and the Legislature of the State of Hawaii

**Submitted by the
Legislative Auditor of the State of Hawaii
Honolulu, Hawaii**

Report No. 87-15

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FOREWORD

The Supplemental Appropriations Act of 1986 (Act 345) included a provision (Section 145D) requesting the Legislative Auditor to conduct an evaluation of the administrative reorganization of the University of Hawaii which was authorized by the Board of Regents on November 15, 1985, and the implementation of which was initiated in early 1986. The report included herewith constitutes the response to this legislative request.

In reviewing this reorganization, we looked at it in terms of its stated objectives, its relationship to the University of Hawaii's recently adopted strategic plan, and its compliance with the recommendations of the management audit report on the University of Hawaii which was submitted to the Legislature in March 1981. We also took into consideration other related events affecting the administrative operations of the University of Hawaii, such as the inauguration of a broad program of delegating authority within the university system, the passage in 1986 of legislation granting increased administrative flexibility to the University of Hawaii and the Department of Education (Acts 320 and 321), and the relatively recent accession of a new president to head the University of Hawaii.

We wish to acknowledge the cooperation and willing assistance extended to our staff by the president, other top officials, and other affected personnel of the University of Hawaii.

Clinton T. Tanimura
Legislative Auditor
State of Hawaii

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Chapter 1

INTRODUCTION AND BACKGROUND

Pursuant to Section 145D of the Supplemental Appropriations Act of 1986 (Act 345), the Legislative Auditor conducted a study of the administrative reorganization of the University of Hawaii (UH) which was authorized by the Board of Regents (BOR) on November 15, 1985, and the implementation of which was initiated on January 1, 1986. This report contains the results of the study.

Objectives of the Study

The objectives of the study were:

1. To identify and describe the basic features of the reorganization and its differences from the prior organization.
2. To evaluate the reasonableness, effectiveness, and efficiency of the development and implementation of the reorganization based on the justifications provided by UH and on general management principles.
3. To identify problems relating to the reorganization, and, if appropriate, to recommend possible solutions to these problems.

Scope of the Study

The study focus was on the administrative reorganization of UH which was formally initiated by BOR on September 20, 1985.¹ Encompassed within this focus were the planning and decisionmaking which led up to the reorganization as well as that which has occurred in the ensuing process of implementation. Included in our considerations also were the findings and recommendations relating to the organization of UH contained in the Legislative Auditor's *Management Audit of the University of Hawaii* (Report No. 81-9, March 1981). In general, the reorganization was looked at in terms of its impact on such areas as planning and budgeting, fiscal operations, personnel, and program changes.

The scope of the study was further extended to take into account other events and actions which were occurring at the same time as and interacting with the reorganization. These included, on one hand, UH's efforts to secure greater administrative freedom or flexibility from the rest of the state government and, on another hand, UH's initiatives to decentralize administrative decisionmaking within the institution. Although the reorganization was not dependent upon these other events and actions, it nevertheless was interrelated to them and became closely identified both with the "delegation downward" actions of BOR and the President of

1. University of Hawaii, Board of Regents, Minutes of Regular Meeting, Honolulu, September 20, 1985.

UH and with the effects of the administrative flexibility legislation contained in Acts 320 and 321, SLH 1986.²

Organization of the Report

This report is divided into three chapters. Chapter 1 is this introduction. It also includes some background information which puts the recent reorganization into historical perspective. Chapter 2 summarizes and describes what has actually occurred so far with regard to the reorganization. Chapter 3 then presents a general and preliminary assessment of the still uncompleted reorganization.

Reorganization of the University of Hawaii in Perspective

To understand the current situation surrounding the most recent reorganization efforts being undertaken at UH, it is necessary to look at these efforts in perspective. Therefore, in this section we review major events affecting the organization of the university since Hawaii obtained statehood in 1959.

Situation at statehood. At the time of statehood, public higher education in Hawaii was centered at the Manoa campus of UH with a small branch operation at Hilo. There was very little in the way of private higher education in Hawaii. Despite its dominant position in the State, UH was relatively small in terms of

2. Act 320, SLH 1986, took effect on July 1, 1986, and may be repealed as of June 30, 1989. This act gives the University of Hawaii and Department of Education flexibility with respect to budget execution actions. Act 321, SLH 1986, took effect on July 1, 1986, and may be repealed as of June 30, 1989. This act gives the University of Hawaii and the Department of Education flexibility with respect to certain financial management actions.

students, staff, budget, and scope of operations when compared to many of its counterparts on the mainland. Besides its College of Arts and Sciences, there were only a few other colleges (business administration, education, engineering, and tropical agriculture) and a limited number of research and support units.

Under these conditions, organization of the institution was relatively simple. The president, assisted by a couple of vice presidents and a small administrative staff, was clearly in charge of the total operation; the several deans and directors reported directly to him. Besides being relatively small, operations were geographically compact. Face-to-face communication was fairly easy to achieve throughout the organization.

At the same time, it is important to recognize that Hawaii has a long tradition of centralizing governmental activities which extends back to the time of the monarchy and still continues. Thus, UH was part of the apparatus of the territorial government when statehood came and continued to be similarly involved with the new state government despite provisions in the Hawaii State Constitution declaring UH to be a body corporate, giving it title to its real and personal property, and empowering its Board of Regents to formulate policy for it and exercise control over it through the president of the institution. For example, the president was considered a member of the Governor's cabinet, and standardized procedures and requirements were applied to UH in the same manner as that for other departments of the state government. As a consequence of this relationship, UH did not have a completely free hand in reorganizing itself to meet changing conditions.

Developments impacting on the organization and programs. During the period following statehood, there were a number of developments which had an impact on the organization and programs of the university. Most importantly, the

nationwide growth of higher education resulting from the post World War II baby boom and the healthy economy in the 1960s had a direct impact on the growth of UH.

In the 1960s and early 1970s, the East-West Center was established, first under UH and then separate from UH; new programs were added (e.g., law, medicine, and astronomy); the statewide community college system was established under UH; West Oahu College was created; and UH-Hilo was expanded.³

In fall 1959, the university offered course work leading to 49 bachelor's degree programs, 33 master's degree programs, and 7 doctorates. In 1985, the number of degree programs had increased to 89 bachelor's degree programs, 77 master's degree programs, 41 doctorates, professional degrees in law and medicine, and a number of associate degrees (at the community colleges) and certificates (at the community colleges and UH-Manoa).⁴

Systemwide student population⁵ has increased from 7,173 in 1959 to nearly 43,000 in 1985, about a 500 percent increase. At UH-Manoa, the increase was from about 7,000 in 1959 to about 20,000 in 1985. The largest growth was experienced in

3. University of Hawaii at Hilo, Office of the Chancellor, "Academic Development Plan, 1977-83," Hilo. The following programs started after statehood at the University of Hawaii at Hilo: Hawaii Community College (1970), Center for Continuing Education and Community Service (1971), and the College of Agriculture (1974).

4. University of Hawaii, Board of Regents, "Controlled Growth for the University of Hawaii (and) Community Colleges," Honolulu, September 21, 1970; and University of Hawaii at Manoa, University Relations, "1985-87 General Information Bulletin," Honolulu, 1985.

5. University of Hawaii, Office of the Associate Vice President for Planning, Policy, and Budget.

the community colleges,⁶ from about 2,500 in 1966 to over 20,000 in 1985. The University of Hawaii at Hilo had 250 in 1959 and about 3,200 (including Hawaii Community College) in 1985. West Oahu College, which was established in 1975, started with an enrollment of 139 and, ten years later, had an enrollment of about 450.

In the late 1970s, UH-Manoa became a member of the Western Athletic Conference (WAC) for most men's sports. In 1984, UH-Manoa became a member of the Pacific Coast Athletic Association (PCAA) for most women's sports.⁷

Other factors having an impact on the organization and programs of the university include the development and growth of private colleges in the State, the shift toward more older students and more part-time students, and the continuing concern for autonomy for the UH.

Efforts to meet changing conditions. During the period since statehood, a number of efforts or suggestions have been made to alter the organization of UH to meet changing conditions. A brief chronology of some of these efforts is listed below:

- 1970 President Harlan Cleveland presents "Prospectus for the Seventies" in January 1970 as a framework for UH academic planning, facilities planning, and financial planning.

6. University of Hawaii, Office of the Chancellor for Community Colleges, "Hawaii's Community Colleges, New Directions for the 80's," Honolulu, May 1984, p. 5. Enrollment data for the community colleges in 1966 do not include Hawaii (1969), Leeward (1968), and Windward (1972) community colleges.

7. University of Hawaii at Manoa, Athletic Department.

- 1971 President Harlan Cleveland and BOR establish a statewide UH system with a separate organizational unit for the Manoa campus headed by a Chancellor.⁸
- 1975 Under President Fujio Matsuda, a reorganization of the UH system offices reduces the number of vice presidents in the central office from four to two and establishes the office of Chancellor for Community Colleges.⁹
- 1977 UH-Manoa Special Faculty Senate Committee prepares a report on the academic future of UH which includes the recommendation to eliminate the "Manoa Campus" as a specific organizational unit.¹⁰
- 1981 Legislative Auditor's report on a management audit of UH recommends organizational and management changes at the system, Manoa campus, and community college levels.¹¹
- 1982 UH-Manoa Faculty Senate Ad Hoc Committee on Administrative Structure is formed to study and make recommendations on organizational and autonomy issues.¹²
- 1983 Chairman of BOR appoints a BOR ad hoc committee on reorganization and requests that the president prepare a reorganization plan for UH.¹³

8. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, February 18, 1971.

9. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, January 16, 1975.

10. University of Hawaii at Manoa, University Manoa Senate, Special Senate Committee on the Academic Future of the University of Hawaii, *Report*, Honolulu, December 1977.

11. Hawaii, Legislative Auditor, *Management Audit of the University of Hawaii*, Report No. 81-9, Honolulu, March 1981.

12. University of Hawaii at Manoa, Faculty Senate, "Relating to Relations Between the University at Manoa and the Central Administration," Honolulu, May 11, 1983; and "Relating to Restructuring Organization Arrangements at the University of Hawaii," Honolulu, November 30, 1983.

13. Memorandum to Fujio Matsuda, President, University of Hawaii, from Stanley Mukai, Chairman, Board of Regents, University of Hawaii, Subject: Review of University of Hawaii Reorganization, November 3, 1983.

- 1983-85 Internal and external consultations on reorganization among the administration, faculty, and BOR are held throughout the UH system. President Matsuda recommends in March 1984 that the reorganization of UH be held in abeyance until a new president is selected.¹⁴
- 1984 "A Strategy for Academic Quality, 1985-95," July 1984, the strategic plan initiated by President Fujio Matsuda, is adopted by BOR to be used as a planning base for the ensuing ten-year period.¹⁵
- 1985 In September 1985, the BOR mandates that the UH organization be restructured.¹⁶ (Concurrently, negotiations were being conducted between the UH and the Governor to grant greater autonomy to the UH in the areas of budget preparation and execution, financial management, and organizational management.)¹⁷
- 1985 An administrative reorganization plan is submitted to BOR on November 15, 1985, by President Albert Simone with a description of his administrative team consisting of a chancellor for community colleges; a chancellor for UH-Hilo/West Oahu College; vice presidents (six) for academic affairs, research and graduate education, student affairs, administration, university relations, and finance and operations; an associate vice president for planning, policy and budget; and several assistants.¹⁸

14. During the period November 1983 through September 1985, the system administration; the campus administrations including chancellors, deans and directors, provosts and faculty; faculty senates of all campuses; and members of the public met among themselves and in consultation with the Ad Hoc Committee of the Board of Regents on Reorganization to discuss and review various alternative structures for the university administration.

15. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, July 24, 1984.

16. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, September 20, 1985.

17. Letter from George R. Ariyoshi, Governor, State of Hawaii, to Albert J. Simone, President, University of Hawaii, September 24, 1985.

18. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, November 15, 1985.

1986 On December 13, 1985, and on January 24, 1986, the new executive team members are presented to BOR.¹⁹ This is accompanied by a broad program of delegating authority down the line throughout the UH organization in early 1986.²⁰

During this period of organizational review and change, there has been considerable turnover in top-level personnel at UH, including three changes in presidents and a great many changes in vice presidents, chancellors, and related positions. The newest change in the organization in January 1986 brought the organization back to one similar to that which was in existence prior to 1971 when the president had responsibility for both the university system and the UH-Manoa campus.

The changes experienced at UH are by no means unique to Hawaii. Many other jurisdictions and institutions have grappled with similar issues and problems. Higher education—especially at the level of the state-supported research university or statewide system—is a very large and complex type of operation to organize, oversee, and direct. No pat answers or ideal organizational forms have yet been developed. Indications are that solutions must be tailored to meet particular conditions.

19. University of Hawaii, Board of Regents, Minutes of the Regular Meeting, Honolulu, January 24, 1986.

20. Memoranda to System Executives, Chancellors, Deans, and Directors from Albert J. Simone, President, University of Hawaii, Subjects: Delegation of Personnel Actions, January and February 1986; and Delegation of Authority for Selected Budgetary and Administrative Actions, April 1986; including subsequent amendments.

Chapter 2

THE REORGANIZATION AND ITS IMPLEMENTATION TO DATE

This chapter outlines the major features of the reorganization of the University of Hawaii (UH) which was approved by the Board of Regents (BOR) in late 1985 and initiated in January 1986. It also summarizes actions taken to date (i.e., December 1986) to implement the reorganization.

Noted also are other developments which are closely related to or identified with the reorganization. These include: (1) the steps taken by UH to decentralize decisionmaking within the institution, (2) the efforts exerted by UH to obtain from the Governor and the Legislature an increased degree of administrative flexibility for the university, and (3) the shift in management philosophy which accompanied the accession of a new president to head UH.

The purpose of this chapter is to establish a base for the evaluation of the reorganization which is set forth in the next chapter.

The Restructuring of the Organization

The main thrust of the reorganization approved by BOR in December 1985 was to restructure some of the top-level elements of the UH organization, particularly those with systemwide responsibilities and those in charge of the overall administration of the UH-Manoa campus. The net effect of the reorganization has been to consolidate various UH-Manoa and systemwide functions and to diversify

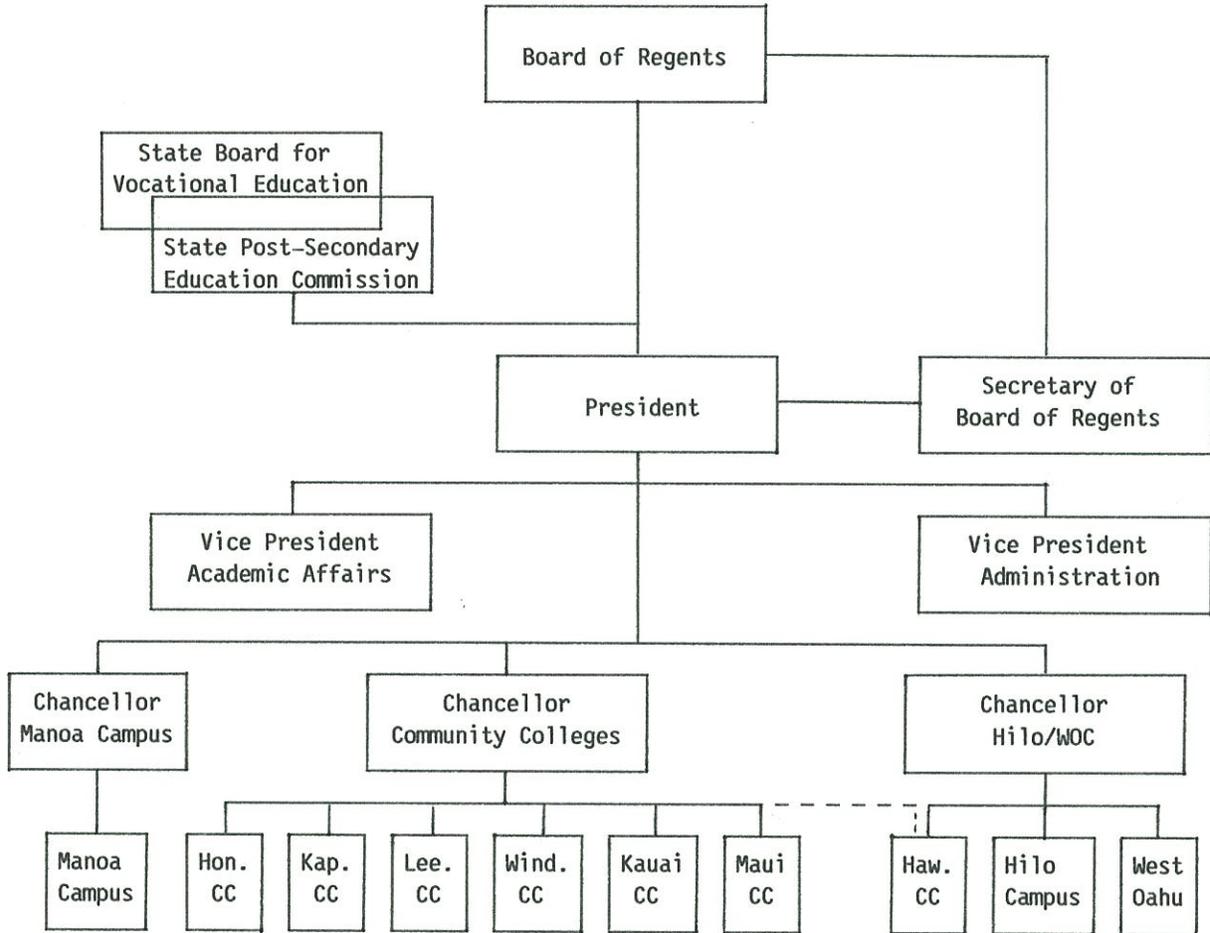
the overall systemwide administration of the university. The changes wrought by the reorganization can probably be best understood by comparing the new organizational arrangements with those in existence before the reorganization was put into effect.

Prior to the reorganization, the overall UH organizational structure consisted of three systemwide offices and three major operating units. As shown in Figure 2.1, the three systemwide offices included those of the president, the vice president for academic affairs, and the vice president for administration while the three operating units were the Manoa campus, the community college system, and the combined operations of the University of Hawaii at Hilo and West Oahu College.

Under the reorganization, the latter two operating units were left virtually untouched, but significant changes were made in the Manoa campus unit and in the three systemwide offices. The spotlight of our attention, therefore, is directed toward those areas where changes were made and not to the units which have remained largely unaffected by the reorganization action. With regard to UH-Manoa, the scope of our concern has extended to the College of Arts and Sciences (A&S) due to this subunit's very large size and importance within UH-Manoa and to the fact that its organization has been affected by the reorganization of the higher level elements within the total university structure.

Figure 2.1

University of Hawaii System
Prior to 1985 Reorganization



Source: University of Hawaii, Office of Planning, Policy, and Budget.

Board of Regents' reorganization mandate. In 1983, BOR recognized the need to reassess the statewide university administrative structure established by the 1971 UH reorganization. Hence, it created its own Ad Hoc Committee on Reorganization. After numerous and lengthy discussions with faculty groups, administrators, and other interested parties, the committee recommended on September 20, 1985, that the president propose a plan to reorganize the university.¹

In charging the president to develop this reorganization plan, the committee specified that the following be considered: (1) the president be directly responsible for the operation of UH-Manoa, (2) all other baccalaureate campuses retain their current administrative structures but under a single chancellor reporting to the president, (3) the community colleges continue to be headed by a chancellor reporting to the president, and (4) the president continue as the head of the overall UH system. The committee also felt that UH campus and systemwide offices and functions should be combined, where possible, to reduce multiple reviews. Moreover, the committee indicated that, unless otherwise specified by BOR policy, day-to-day decisionmaking should be delegated to the various administrative units.²

The reorganization plan. In November 1985, the president submitted his reorganization plan to BOR. In general, the reorganization plan combined the Manoa campuswide functions with those of the president's office, thereby reducing

1. University of Hawaii, Board of Regents, Minutes of Regular Meeting, September 20, 1985.

2. *Ibid.*

the number of levels of review.³ As a consequence, the president became the "Chief Executive Officer of the University of Hawaii and the Chief Operations Officer of the Manoa Campus."⁴ The president further indicated that the reorganization plan would be accompanied by a broad program under which decisionmaking would be delegated downward throughout the university system and administrators would be held accountable for their performance.⁵

As shown by the organizational plan in Figure 2.2, 12 officials report directly to the president. As presented to BOR by the president,⁶ these officials are as follows: chancellor for community colleges; chancellor for the University of Hawaii at Hilo and West Oahu College; vice president for administration; vice president for finance and operations; vice president for university relations; associate vice president for planning, policy, and budget; vice president for academic affairs (Manoa); vice president for research and graduate education (Manoa); vice president

3. Albert J. Simone, "Proposed Reorganization of the University of Hawaii," Honolulu, University of Hawaii, November 12, 1985.

4. University of Hawaii, Office of the President, "Position Organizational Charts and Function Statements," Honolulu, September 12, 1986.

5. Albert J. Simone, "Reorganization: Flowering of a University," Honolulu, University of Hawaii, January 28, 1986.

6. Although the new organization has been in place for less than a year, the president has already indicated that some changes will be made. Furthermore, prior to the conclusion of this report, the vice presidents for administration and university relations and the director of campus operations resigned to take positions with the Governor, the vice president for student affairs resigned to return to the private sector, and the associate vice president for planning, policy and budget retired. In addition, the first two assistants to the president for international and telecommunications programs have completed their assignments. Another assistant to the president, the former chancellor of UH-Hilo/West Oahu College, is working on special assignments. These actions could trigger another reorganization of the administrative offices.

for student affairs (Manoa); assistant to the president; assistant to the president—international programs; and assistant to the president for telecommunications, computers, and information technology. Responsibilities assigned to these officials and changes made from the previous organization are discussed later in this chapter.

In proposing this reorganization, the president sought to install a team approach to management. Under the reorganization plan, all vice presidents, chancellors, and the associate vice president serve with the president on the University Executive Council, the major administrative body within the university.

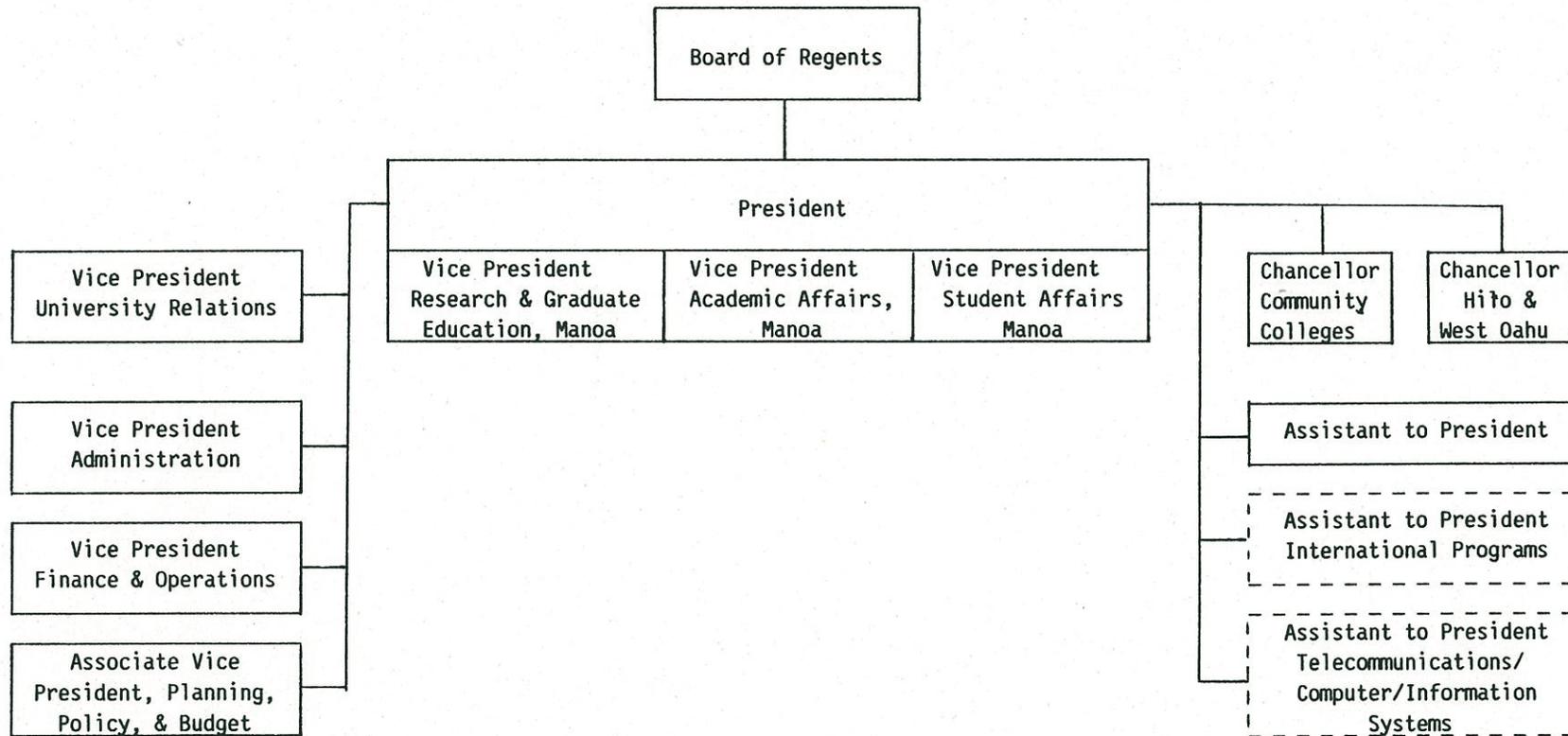
Abolition of the UH–Manoa chancellor's office. Prior to the reorganization, UH–Manoa had been headed by a chancellor who exercised "executive leadership, control, and coordination over all programs of the University of Hawaii at Manoa in accordance with general policies and guidelines established by the Board of Regents and the President of the University."⁷ As shown in Figure 2.3, the UH–Manoa chancellor's office included the provost and dean of the College of Arts and Sciences⁸ and the vice chancellors for academic affairs, research and graduate education, and administration. In addition, intercollegiate athletics, the faculty senate, the UH–Manoa Office of Public Affairs, and the Center for Asian and Pacific Studies came under the UH–Manoa chancellor.

7. University of Hawaii at Manoa, Office of the Chancellor, "Position Organizational Charts and Function Statements," Honolulu, July 1985.

8. Although the position of provost and dean of the college of arts and sciences is included in the organization chart, in actuality, it had been eliminated by the Board of Regents at its June 21, 1985, meeting when it approved the reorganization of the college of arts and sciences.

Figure 2.2

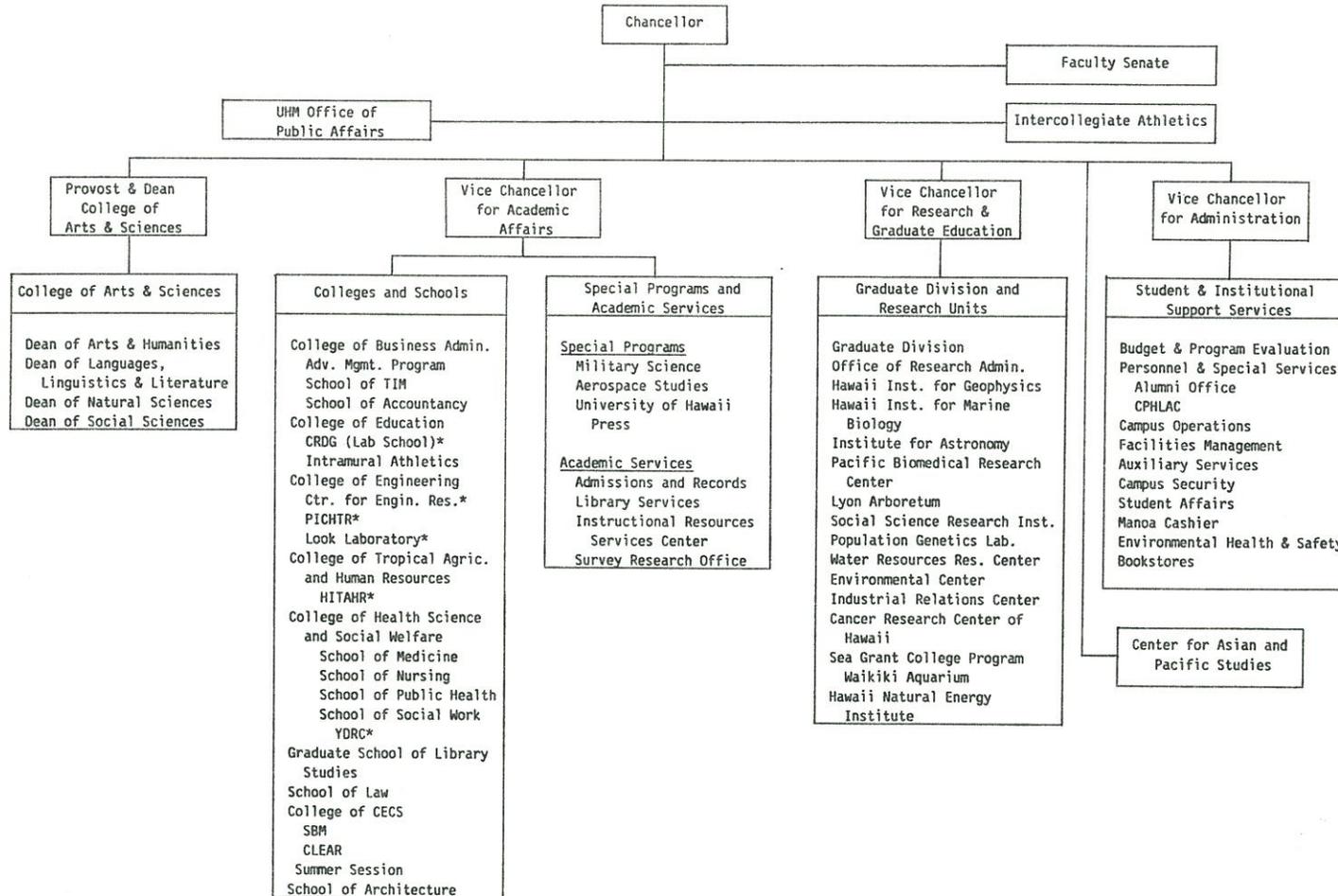
University of Hawaii
Office of the President
November 1985



Source: University of Hawaii, Office of Planning, Policy, and Budget.

Figure 2.3

University of Hawaii at Manoa
Prior to Reorganization



Source: University of Hawaii, Office of Planning, Policy, and Budget.

*These research units under the UOH-102 budget category also report through their deans to the vice chancellor for research and graduate education.

The abolition of the UH-Manoa chancellor's office, therefore, also resulted in the abolition of the offices of the three UH-Manoa vice chancellors. Previously, the vice chancellor for academic affairs had served as first deputy to the chancellor, had assumed direct responsibility for academic affairs of the Manoa campus, and had served as acting chancellor in the chancellor's absence. As second deputy to the UH-Manoa chancellor, the vice chancellor for administration had assumed responsibility for nonacademic administrative affairs of UH-Manoa and served as acting chancellor in the absence of the chancellor and the vice chancellor for academic affairs. The vice chancellor for research and graduate education was responsible for the overall leadership, planning, administration, and management of research institutes and facilities and graduate programs.⁹

With their administrative and operational responsibilities, the various units under the UH-Manoa chancellor accounted for a sizeable portion of the resources allocated to UH-Manoa. For the 1984-85 fiscal year, they were allocated a total of 347 positions and about \$16.8 million for general fund personal services and operating expenses.¹⁰ Therefore, in phasing out the UH-Manoa chancellor's office, the reorganization plan not only called for a major redistribution of functions but also required a significant reallocation of personnel and other resources.

9. University of Hawaii at Manoa, Office of the Chancellor, "Position Organizational Charts," July 1985.

10. University of Hawaii, Office of the Vice President for Planning, Policy, and Budget. Included in the \$16.8 million for personnel and operating expenses are funds for utilities (telephone, water, and electricity). About 300 of the 347 positions were transferred to the vice president for finance and operations.

What has resulted is the retention of the Manoa campus as a separate entity within the university organization but as an entity which no longer has its own separate administration. As discussed more fully below, most of the duties and responsibilities of the UH-Manoa chancellor's office have been absorbed upward by the president's office. However, some of the functions have been dispersed downward, through various delegations of authority, to deans and directors at the Manoa campus. In like manner, the personnel and other resources of the office and its subunits have been relocated to various places throughout the university.

Expansion and diversification of the systemwide administration. Besides consolidating administrative functions affecting the management of the Manoa campus, the reorganization and its resultant reallocation of resources have been used to give greater emphasis to areas at the systemwide level which previously had been felt not to be receiving sufficient attention. Accordingly, the roles of both the president and the systemwide administration have been expanded and diversified. To assist the president in fulfilling his dual role as chief executive officer for the entire university system and chief operating officer for the Manoa campus, several vice presidents have been added to the UH organization. While the responsibilities of some of the new vice presidents are systemwide in scope, the responsibilities of others are confined primarily to the Manoa campus. The new and expanded distribution of top-level functions is discussed below.

Prior to the reorganization, the Office of the Vice President for Administration was one of two executive offices under the president. This office has been retained, and it is still systemwide in its scope. However, many of its functions and responsibilities have been transferred elsewhere; some of the personnel management functions have been delegated downward to the colleges,

schools, and institutes throughout the system while the financial management functions have been assigned to the new Office of Vice President for Finance and Operations. Fiscal personnel and some or all of the staff and positions from the budget, personnel, and facilities planning and construction offices accordingly have been deployed to the affected receiving administrative units.

The Office of the Vice President for Finance and Operations was created primarily to handle all of the operations previously assigned to the director of finance under the vice president for administration, except for the management systems office.¹¹ In addition, this new office has assumed responsibility for the operations of the Manoa campus previously supervised by the UH–Manoa vice chancellor for administration.

To give increased emphasis to the whole area of external relations, the Office of University Relations and the Office of Alumni Affairs of UH–Manoa have been merged into a new and expanded Office of the Vice President for University Relations. Included among the duties of this enlarged systemwide office, besides the handling of alumni affairs, is liaison with the news media, Legislature, and public-at-large.

Although the Office of the Associate Vice President for Planning, Policy, and Budget is newly created under the reorganization plan, it actually represents a consolidation of functions previously assigned to other units, including the offices of the vice president for academic affairs, the vice president for administration, and the UH–Manoa vice chancellor for administration. The functions thus consolidated

11. The management systems office was transferred from the Office of the Director for Finance (old organization) to the Office of the Associate Vice President for Planning, Policy, and Budget in the new organization.

include: (1) policy analysis, systemwide student affairs, long-range planning, and institutional research and analysis; (2) systemwide budget preparation and execution, management information systems and administrative data inventory files, evaluation of reorganization proposals, and maintenance of tables of organization; and (3) UH-Manoa budget preparation and execution.¹²

The new vice presidents with responsibilities related primarily to the Manoa campus have taken over duties previously assigned to the offices of the several UH-Manoa vice chancellors. As shown in Tables 2.1 and 2.2, the functions and responsibilities of the vice presidents for academic affairs and for research and graduate education are similar to those previously assigned to the UH-Manoa vice chancellors for academic affairs and for research and graduate education. The vice president for academic affairs also replaces the old systemwide position with the same title and continues to serve as acting president in the absence of the president.

Under the old organization, however, student affairs had been handled by the director of student services under the Office of the Vice Chancellor for Administration. Under the new organization, the area of student affairs has been elevated and placed under the vice president for student affairs. Functions related to student affairs previously scattered among various units on the Manoa campus have now been assigned to this new vice president. Table 2.3 displays a tentative listing of the functions and responsibilities of the vice president for student affairs compared to those previously assigned to the director of student services.

12. Memorandum to Albert J. Simone, President, University of Hawaii, from Kenji Sumida, Associate Vice President for Planning, Policy, and Budget, Subject: Organization of the Office of the Associate Vice President for Planning, Policy, and Budget, February 10, 1986.

Table 2.1

Office of the Vice President for Academic Affairs

Past Organization	Current Organization
Vice Chancellor for Academic Affairs	Vice President for Academic Affairs ¹
Colleges and Schools	Colleges and Schools
Special Programs	Special Programs
Military Science	Military Science
Aerospace Studies	Aerospace Studies
UH Press	UH Press
Survey Research Office	Survey Research Office
Academic Services	Academic Services
Admissions & Records	
Library Services	Library Services
Instructional Resources	Instructional Resources
Services Center	Services Center
Integrated Student	Integrated Student
Information System	Information System
Summer Session	Summer Session
Provost & Dean	-----
College of Arts & Sciences ²	-----
Arts & Humanities	-----
Language, Linguistics	-----
& Literature	-----
Natural Sciences	-----
Social Sciences	-----
Center for Asian	Center for Asian
& Pacific Studies	& Pacific Studies
-----	UH Computing Center ³
-----	Preservation of Hawaiian
	Art and Culture ⁴

Source: University of Hawaii, Office for Planning, Policy, and Budget, Hawaii.

¹The Office of the Vice President for Academic Affairs was not formally organized as of December 1, 1986.

²The Colleges of Arts and Sciences are now included with the rest of the colleges and schools under the vice president for academic affairs.

³The UH Computing Center was part of the systemwide academic support program in the Office of the Vice President for Academic Affairs in the past organization.

⁴The Preservation of Hawaiian Art and Culture program was transferred from the Office of the Vice Chancellor for Administration.

Table 2.2

Office of the Vice President for Research and Graduate Education

Past Organization	Current Organization (7/86)
Vice Chancellor for Research and Graduate Education	Vice President for Research and Graduate Education ¹
Graduate Division	Graduate Division
Research Administration	Research Administration
Organized Research Units	Organized Research Units ²
-----	Laboratory Animal Services ³

Source: University of Hawaii, Office of Planning, Policy, and Budget, Hawaii.

¹The reorganization of the Office of the Vice President for Research and Graduate Education is complete. Some reorganization of the division and units is still incomplete.

²Organized research units include units which were attached to colleges and schools under the defunct Office of the Vice Chancellor for Academic Affairs.

³The laboratory animal services program was transferred from the Office of the Vice Chancellor for Administration.

Table 2.3

Office of the Vice President for Student Affairs

Past Organization	Current Organization
<u>Director of Student Services</u> ¹	<u>Vice President for Student Affairs</u> ²
Student Employment	Student Employment
Fiscal Services	Fiscal Services
Specialist	Specialist
Coordinator: VA, Senior	Coordinator: VA, Senior
Citizens, NSEF	Citizen, NSEF
Placement & Career Planning	Placement & Career Planning
Bureau of Student	Bureau of Student
Activities (Campus Center)	Activities (Campus Center)
Financial Aids	Financial Aids
International Students	International Students
Student Housing	Student Housing
Counseling & Testing	Counseling and Testing
Student Health	Student Health
-----	Admissions & Records ³
-----	College Opportunities

Source: University of Hawaii, Office of Planning, Policy, and Budget, Hawaii.

¹The Office of the Director of Student Services previously was part of the now defunct Office of the Vice Chancellor for Administration.

²This office was not formally organized when we concluded fieldwork for this study on December 1, 1986. The listings under this vice president are tentative until the organization is formalized.

³The Admissions and Records program was transferred from the now defunct Office of the Vice Chancellor for Academic Affairs.

As previously indicated, the offices of the chancellors of UH–Hilo/West Oahu College and community colleges have not been significantly affected by the reorganization. However, they have received some positions from systemwide offices. So far, two positions have been transferred to UH–Hilo,¹³ and seven positions have been transferred to the Office of the Chancellor for Community Colleges from the Office of the Vice President for Administration. The organization of the Office of the Chancellor for Community Colleges remains basically unchanged. As the chancellor for UH–Hilo/West Oahu College only joined the president's team in September 1986, a reorganization showing his relationship to the two campuses, UH–Hilo and West Oahu College, is still being developed.

The assistant to the president serves in a liaison capacity between the president and his various constituencies and undertakes special projects of universitywide significance. The other two assistants were set up on a temporary basis to focus on particular areas of concern and to formulate strategic and organizational approaches to these areas of importance to the future of the university.

Subsidiary reorganization of the Colleges of Arts and Sciences. In the 1960s, the College of Arts and Sciences was still relatively small and offered only a limited number of undergraduate programs even though it was the largest academic unit on the Manoa campus. By the fall of 1985, however, A&S had grown to a point where it enrolled 10,649 students, or 54 percent of the 19,681 students at UH–Manoa; offered 58.9 percent of the courses and 62.6 percent of the classes

13. Positions for UH Manoa Engineer III and UH Personnel Clerk IV were transferred and reclassified as UH–Hilo Facilities Planner I and UH–Hilo Personnel Officer V, respectively, in September 1986.

provided at UH–Manoa; and taught 64.9 percent of the student semester hours taken at the Manoa campus.¹⁴

The growth in A&S's size and complexity has paralleled that of UH as a whole. As a consequence, concerns about the university's overall organization and management have been echoed relative to A&S, and continuing efforts have been made to reorganize A&S. For example, in the 1970s, unsuccessful attempts were made to replace A&S with an undergraduate liberal arts college. Then, in 1980, BOR approved a reorganization of A&S into four academic divisions, each headed by a dean, and two support offices headed by directors. The deans and directors were supervised by a provost and dean of A&S who reported to the UH–Manoa chancellor.¹⁵

From 1980 to 1985, modifications were made in this organization which resulted in: (1) the establishment of four executive level positions of deans of A&S, (2) the reclassification of one of the director positions into an "associate dean," and (3) the evolution of the provost and dean of A&S into a staff position in the UH–Manoa chancellor's office. Then, at its meeting on June 21, 1985, BOR approved a new reorganization plan for A&S which: (1) eliminated the intermediate level of supervision between the four deans of A&S and the UH–Manoa chancellor, (2) established a Council of Arts and Sciences Deans to be chaired by one of the four A&S deans, (3) converted the provost and dean position into that of an associate

14. University of Hawaii at Manoa, Colleges of Arts and Sciences, "Arts and Sciences in Perspective," Honolulu, December 18, 1985.

15. University of Hawaii, Office of the President, "President's Memorandum No. 70: Reorganization of the Colleges of Arts and Science, UH/Manoa," for the Regular Meeting of the Board of Regents of the University of Hawaii, Honolulu, December 5, 1980, p. A-3.

dean for all A&S academic affairs, and (4) transferred to the A&S associate dean some of the academic functions of the Office of the Associate Dean for Student Services and Special Programs.¹⁶ This reorganization had hardly been implemented, however, when it was affected by BOR's call for an overall reorganization of the university.

With all the UH-Manoa deans and directors now reporting directly to the Office of the President, the A&S organization plan had to be redrawn to conform to the new general UH organization plan. The A&S reorganization plan was accordingly redrafted and presented to President Albert J. Simone in October 1985¹⁷ and to the A&S Senate in December 1985.¹⁸ In January 1986, the president indicated his commitment to the proposed reorganization of A&S.¹⁹ The net result is a new organization for A&S which is interrelated to the new organization for the Manoa campus within the overall UH system.

Under this new organization, the four units of A&S previously designated as "faculties" were renamed "colleges"—i.e., College of Arts and Humanities; College

16. University of Hawaii, Board of Regents, Minutes of Regular Meeting, June 21, 1985.

17. Memorandum to Albert J. Simone, President, University of Hawaii, from Deane Neubauer, Chair, Council of Arts and Sciences Deans, Subject: Reorganization of the College of Arts and Sciences to Accommodate Increased Administrative Responsibilities, October 28, 1985.

18. Memorandum to Arts and Sciences Senate from Deane Neubauer, Chair, Council of Arts and Sciences Deans, Subject: Information Statement on the Proposed Reorganization of the College of Arts and Sciences, December 3, 1985.

19. Memorandum to Dean Deane Neubauer, Faculty of Social Sciences; Dean Robert Pecsok, Faculty of Natural Sciences; Dean Richard Seymour, Faculty of Languages, Linguistics, Literature; and Dean Rex Wade, Faculty of Arts and Humanities; from Albert J. Simone, President, Subject: Reorganization of the College of Arts and Sciences, January 27, 1986.

of Languages, Linguistics and Literature; College of Natural Sciences; and College of Social Sciences. To reflect this change, the College of Arts and Sciences was then redesignated as the "Colleges of Arts and Sciences." Each college is headed by a dean who reports directly to the Office of the President.

The purpose of the new organization and designations is to preserve the academic identity of each college while also recognizing the integrative aspects and commonality of the four units.²⁰ This is shown by Figure 2.4 which displays the following features of the new separated and collective organizational structure as of October 1986:

1. *The individual colleges:* The College of Arts and Humanities; College of Languages, Linguistics and Literature; College of Natural Sciences; and College of Social Sciences are on the first level. Each has equal access to the Office of the President and is headed by a dean.

2. *The colleges of arts and sciences:* The second level recognizes the integrative aspects of the individual colleges and links them together as an entity supervised by the Council of Arts and Sciences Deans. The chair of the council is chosen on a yearly rotational basis from among the deans.

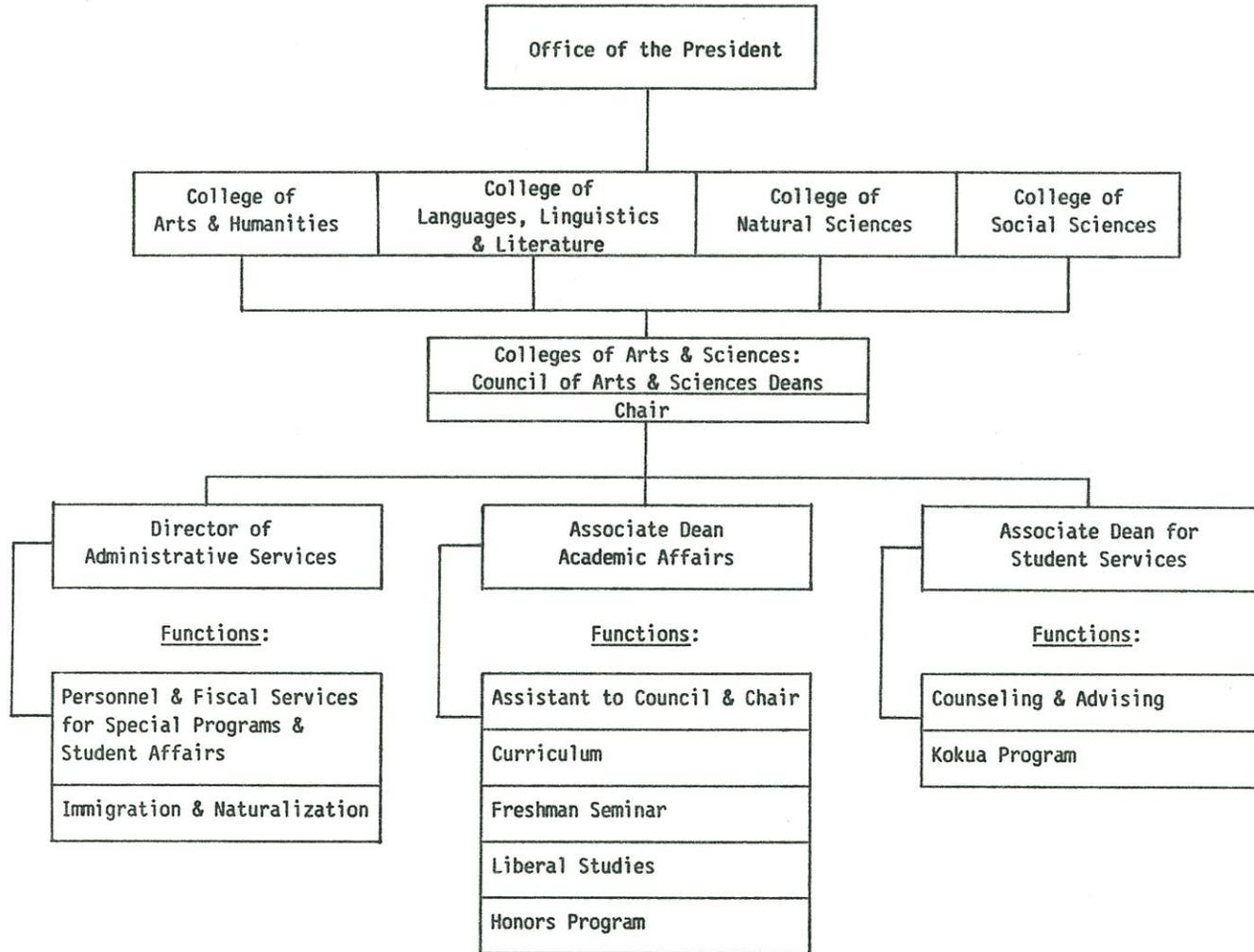
3. *The support offices:* The third level consists of the three support offices: Administrative Services headed by a director; Academic Affairs headed by an associate dean; and Student Services headed by an associate dean.²¹

20. Memorandum to Albert J. Simone, President, from Deane Neubauer, Chair, Council of Arts and Sciences Deans, Subject: Arts and Sciences Reorganization, February 20, 1986.

21. Although the office of administrative affairs is retained under the present reorganization, it was intended that this office would be a transitional one to be phased out after one year.

Figure 2.4

Colleges of Arts and Sciences
University of Hawaii at Manoa
October 1986



Source: University of Hawaii, Office of Planning, Policy, and Budget.

Besides this effect of the abolition of the UH-Manoa chancellor's office on the organization of the Colleges of Arts and Sciences, the reorganization of UH and related events have had another effect on the Colleges of Arts and Sciences. This involves the staffing of the offices of the four deans. As mentioned previously, a broad decentralization of decisionmaking has accompanied the reorganization. This means functions previously performed at the chancellor or systemwide levels must now be performed by the offices of the four deans. Thus, to the dean and secretary for each office there has been added a half-time assistant, an administrative officer, a clerk, and \$2,000 worth of student help.²²

Reorganization implementation to date. The preceding description sets forth the broad outlines of the reorganization approved by BOR in November 1985. At this level, it was basically effectuated in January 1986 when the president presented his new management team to BOR. However, for the reorganization to have a real and positive impact upon the administrative operations of UH, much more was required in terms of implementation. Among other things, several hundred staff personnel and other resources had to be reallocated among the new and reshuffled organizational units affected by the reorganization. This, in turn, required the development of new and revised internal organizational plans for each of the emerging major units with attendant changes in administrative procedures, lines of authority and responsibility, job descriptions, and compensation alignments. In addition, renovation of facilities also became necessary, particularly in view of

22. Memorandum to Deans from Albert J. Simone, President, January 27, 1986.

the decision to locate an increased number of high level positions and related staff in Bachman Hall, the UH administration building.

Like all changes of this magnitude, then, the reorganization faced an inevitable period of shakedown and adjustment. Until this process was essentially completed so that the new organization could be said to be in a position to function as intended, it could be considered unreasonable and unrealistic to arrive at any final judgments or evaluations regarding the effectiveness and merits of the new organization.

At the same time, it should not be expected that the shakedown period might drag on indefinitely. If too many details of the reorganization remain unsettled for too long a period, this fact in itself might well provide sufficient grounds for questioning the validity of the reorganization. A good reorganization plan will generally include an implementation subplan aimed at facilitating the organizational shift, enhancing its acceptance by those affected, and enabling progress toward the achievement of its objectives to be monitored and corrections to be made where needed.

In assessing this reorganization, therefore, it is important to take a look at its actual implementation to see how far the implementation has progressed at the time the assessment is made. In this regard, it must be noted that implementation was still in progress at the time the fieldwork for this study ceased—that is, early December 1986.

On one hand, most of the required physical renovations had been accomplished, and formal organization plans for many of the new or revised high level units had been officially approved. Similarly, most affected staff members had been placed in their new jobs. However, a number of key units—including the offices of the vice

presidents for academic affairs and student affairs and the offices of the Colleges of Arts and Sciences deans—were still in the process of formalizing their organizations and completing their respective staffing configurations. Moreover, many positions throughout the various affected units were also still awaiting redescription, reclassification, and adjustment in compensation. In short, the shakedown period was still not over at the time we concluded our examination.

Reorganization costs and benefits. A reorganization as massive as this one undertaken by UH is certain to incur costs. These can be expected to fall into two categories: (1) immediate, one-time costs; and (2) continuing, long-term costs. The first would include such things as renovation expenses or personnel severance costs if separations are a part of the reorganization. The second would encompass the added costs resulting from any increases in positions or in higher paid positions which will be ongoing so long as these positions remain on the payroll.

A reorganization may also result in financial benefits which may help to offset, if not actually exceed, the added costs incurred—over the long term if not immediately. This is especially true if the reorganization is undertaken as an economy move and has cost reduction as one of its major objectives.

Inasmuch as cost savings was one of the initial stated objectives of this reorganization, this aspect of the reorganization is discussed more fully in the next chapter of this report where we set forth our assessment of the reorganization as it stood in December 1986. Suffice it at this point to note that there have been some fairly substantial one-time costs resulting from the building renovations made to accommodate the reorganization. Because many positions affected by the reorganization are still awaiting redescription, reclassification, and possible

adjustment in compensation, it is too soon to arrive at any final overall projections of the long-term costs versus benefits of the reorganization. Even UH officials concede, however, that the cost savings initially projected for the reorganization will not be realized.

The Move to Decentralize Decisionmaking

Within the University of Hawaii

Accompanying the major restructuring of UH's top-level organization described above was another closely related development which has affected the reorganization itself and, probably more significant, has affected perceptions of the reorganization on the part of many interested parties. This development was the university's strong and very broad efforts to decentralize decisionmaking within the institution by reducing the amount of review and approvals required for decisions to be made, by moving decisions down to the action level, and by giving line managers broader discretion to handle matters under their control and for which they were responsible.

Because these efforts at decentralization have occurred more or less simultaneously with the reorganization and have affected many of the same officials affected by the reorganization, the tendency on the part of many has been to view reorganization and decentralization as one and the same. In fact, however, the two represent different though interrelated courses of action. Separate formal procedures were followed for each. Each could have proceeded without the other.

Although the move toward decentralization of decisionmaking at UH did not occur until the recent reorganization was also being undertaken, the need to clarify what, where, when, and by whom various decisions should be made within the

institution has been recognized for a number of years. For example, in the management audit report on UH which was issued by this office in March 1981, we found, among other things, that decisionmaking between BOR and the university administration was confused and unsatisfactory and that the failure to clarify roles between the systemwide administration and chancellor units was creating internal conflicts and dissension.²³

Then, three years later, in his report on organization to the BOR Ad Hoc Committee on Reorganization, President Fujio Matsuda noted that a "lack of delegation" was one of the major problems identified at UH by the various UH administrators and other parties who were consulted regarding the institution's organization and management. By this term, it was meant that too many decisions were being made at too high a level; that delays, divided authority, and confusion were being caused by the multiple reviews then being required; and that the central administration was too large—that is, too much decisionmaking was occurring at the systemwide level, thereby requiring a top heavy staffing arrangement.²⁴

In response to these identified problems, steps were initiated to clarify and decentralize UH's decisionmaking. The first actions came on the part of BOR when it began delegating to the president various final decisions which previously it had reserved for itself. After acting on a number of these in a piecemeal manner, BOR made a large-scale delegation of personnel decisions to the president in September

23. Hawaii, Legislative Auditor, *Management Audit of the University of Hawaii*, Report No. 81-9, Honolulu, March 1981.

24. Fujio Matsuda, "President's Report on the University Organization," Honolulu, University of Hawaii, March 1984.

1985. This was at the same meeting that it also charged the president to come up with a new organization plan for UH.²⁵

The president, in turn, began delegating decisionmaking down lower into the organization. In a series of delegations of authority issued during 1986, a wide range of personnel, budget execution, and other administrative decisionmaking has been passed down the line throughout the UH organization. The appendix summarizes more specifically the nature, scope, and timing of these delegations of authority.

By thus coming hand in hand with the reorganization, it should not be surprising that this program of delegation of authority might be considered by many to be part and parcel of the reorganization process. And indeed, the two cannot be completely separated because some of the organizational and staffing changes made as part of the reorganization were undoubtedly influenced by the fact that the delegations of authority were also occurring at the same time.

It is also possible that if these delegations of authority had occurred much sooner, then there may not have been as much impetus to reorganize UH as extensively as occurred during 1986. There was by no means an unanimity of opinion within the UH community that the reorganization action taken was the only or best course to follow. With lines of authority clarified and with more discretion allowed at the campus level, it is conceivable that many of the problems which gave rise to the demand for reorganization could have been resolved and that the chancellor arrangement could have functioned effectively.

25. University of Hawaii, Board of Regents, Minutes of Regular Meeting, September 20, 1985.

It is for these reasons, then, that the movement toward decentralization of decisionmaking at UH should not be overlooked when considering the impact of the recent reorganization.

Efforts to Obtain Administrative Flexibility for the University of Hawaii

Closely associated with the move to achieve greater decentralization of decisionmaking within UH have been the efforts on the part of UH to obtain more administrative flexibility or autonomy for itself with respect to the rest of the state government. For many years, there has been a strong feeling that UH is not just another state agency or just a normal part of the executive branch of the State of Hawaii.

Rather, it is seen as enjoying a special position where it should have considerable discretion over the management of its own internal affairs. This concept is reflected in the Hawaii State Constitution under Article X, Section 5, which establishes UH as a body corporate and, under Section 6 of the same article, which provides that BOR shall have the power to formulate policy and to exercise control over the university through its executive officer, the president, and shall have "exclusive jurisdiction over the internal organization and management of the university."

At the same time, this is by no means an absolute grant of autonomy to UH. The Hawaii State Constitution also establishes the Governor as a very strong chief executive and gives the Governor broad authority to exercise control over the executive branch of government. It further gives the Legislature strong powers to set policy and to oversee the operations of the executive branch. Moreover, with

respect to Article X of the Hawaii State Constitution, Section 6 provides that the power exercised by BOR will be "as provided by law." This section further provides that its provisions "shall not limit the power of the legislature to enact laws of statewide concern."

As a matter of long-standing practice antedating statehood, UH has been subject to considerable review and control by both executive and legislative agencies—especially the three executive staff departments, the Department of Budget and Finance, the Department of Accounting and General Services, and the Department of Personnel Services. The university has long chafed under the restrictions imposed by these staff departments and for many years has sought to have such controls relaxed or removed entirely insofar as UH is concerned. The existence of these centralized state controls was often cited as preventing decentralization of decisionmaking within the institution.

Finally, a breakthrough on this issue was achieved at just about the same time that the reorganization began moving forward, and substantive action began to be taken on the delegations of authority within the university. In September 1985, the same month BOR made its broad delegation of authority to the UH president and also directed the president to develop a new organization plan for the university, Governor George R. Ariyoshi delegated a substantial list of administrative functions to UH and instructed the affected staff departments to work with UH in accomplishing the orderly transfer of the relevant authority and responsibility.²⁶ Inasmuch as some of these delegations required statutory change, it was also agreed

26. Letter from Governor George R. Ariyoshi to President Albert J. Simone, September 24, 1985.

that appropriate amendatory legislation would be proposed as state administration measures to the 1986 Legislature.

The legislation proposed in the 1986 session to grant increased administrative flexibility to UH was broader than that which finally emerged as Acts 320 and 321. For example, bills to give UH autonomy in the area of personnel services were not enacted. Similarly, provisions granting more autonomy in the area of budget preparation were deleted from the bill which became Act 320. On the other hand, however, the legislation was expanded to include the Department of Education as well as UH. Act 320 gives the two educational agencies greater flexibility in the area of budget execution (allotment control). Act 321 frees the two agencies from various fiscal controls of the Department of Accounting and General Services.

In passing Acts 320 and 321, the Legislature also attached the additional requirement that the Legislative Auditor assess the impact of the two acts, particularly with regard to their effects on program performance, and to report back to the Legislature during each of the three ensuing legislative sessions. The report to the 1989 session is to include recommendations on whether to keep the legislation in effect. Under the terms of both acts, they will automatically expire on June 30, 1989, unless legislative action is taken to extend, modify, or replace them.

The close tie between administrative flexibility and decentralization of decisionmaking within UH also establishes thereby a close interrelationship between administrative flexibility and the reorganization of UH. All three become further bound together by their shared need to provide for administrative accountability; a need which is probably best met through some form of evaluation or assessment process.

In our initial report on the administrative flexibility legislation (Acts 320 and 321),²⁷ we discuss the subject of administrative accountability and the importance of balancing this objective against the objective of administrative flexibility. In addition to the objective of achieving quality education, the state government also has the objective of ensuring that its resources are managed in an honest, fair, and efficient manner. Traditionally, the imposition of centralized controls has been relied upon to ensure such accountability—that is, by requiring prior, and often detailed, review and approval at several different levels or decision points, in order to avoid, or at least minimize, improper and imprudent actions.

However, as pointed out further in our report, difficulties are prone to arise when several different individuals or entities become involved in the decisionmaking process—particularly if some are mainly concerned with one objective while others are committed primarily to another objective. To overcome this problem, there has been emerging nationwide in the educational field an alternative to prior, detailed review and approval on one hand or complete autonomy on another hand.

This new approach is referred to as educational assessment and involves judging educational agencies on their performance or the results they produce and holding them accountable therefor, rather than either trying to second guess decisionmaking beforehand or turning them completely loose from any external controls. To be successful, however, such a system requires the establishment of clear and agreed upon objectives, the development of suitable measures for

27. Hawaii, Legislative Auditor, *First Interim Report: Evaluation of the Administrative Flexibility Legislation Affecting the Department of Education and the University of Hawaii, Acts 320 and 321, SLH 1986*, Report No. 87-8, Honolulu, January 1987.

evaluating the attainment of those objectives, and the actual implementation of a system for conducting and following up on the evaluations made.

By including the three-year sunset provision in the administrative flexibility legislation and calling for an evaluation of the impact of this legislation, the Legislature has demonstrated its interest in and concern for maintaining adequate administrative accountability on the part of Hawaii's two educational agencies. In our initial report on Acts 320 and 321, we recommended that both UH and the Department of Education be encouraged to develop educational assessment programs for themselves and to report thereon to the 1988 Legislature.

This recommendation should be fully consistent and compatible with the UH reorganization and the accompanying program of delegations of authority. In announcing these interrelated actions, the UH president indicated that in combination with granting subordinate officials broader discretionary authority, he expected to judge them on, and to hold them accountable for, their performance in their respective jobs. Moreover, he expected to be held similarly accountable to BOR. To give real meaning to these stated expectations implies the establishment of some form of educational assessment under which the president can hold his subordinates accountable and BOR can hold the president accountable.

Shift in Basic Organizational and Management Philosophy and Practice

Not to be overlooked in any consideration of the UH reorganization is the fact that it has followed in the wake of a significant shift in basic organizational and management philosophy and practice at the institution, a shift which occurred with the accession of a new president to head UH. Under the previous university

administration, the unstated but practiced management philosophy appears to have been that authority and responsibility to make final decisions rested at the systemwide level of the UH organizational structure. Moreover, while remaining generally accessible to the university community, the president did not normally become directly involved in the day-to-day operations of any of the campuses, including UH-Manoa. Instead, the usual practice was to wait for proposed actions to originate lower down in the organization, to let them move up through the chain of command, to have staff review them thoroughly, and then finally to submit them to the president and BOR for final decisionmaking. When top-level initiatives were made, they usually flowed down and back through this same process. Throughout, heavy emphasis was given to adherence to prescribed procedures and established policies.

Much of this has changed, however, with the change in university administrations. Shortly after his appointment as acting president and before he became president, the new incumbent advised his two vice presidents and three chancellors as follows:

"The University exists to provide education and research for the students and citizens of Hawaii. The line functions -- teaching, research, and service -- are what is important and what should be focused and highlighted. The faculty, Department heads, Directors, Provosts, Deans, Chancellor, and President are in this direct line. The Vice Presidents unless there is a specific delegation, are not in the direct line; they serve in staff capacities to facilitate the line activities, which are the basis of and justification for the University."²⁸

28. Memorandum to Vice Presidents and Chancellors from Albert J. Simone, Acting President, Subject: Basic Principles of Accountability and Responsibility Involving Relationships Among the President, the Vice Presidents, and the Chancellors, June 26, 1984.

To institute this philosophy, the president indicated that academic managers (academic department heads, deans, provosts, and directors) were now to be the "key administrators in the University." The president, vice presidents, and chancellors were to provide the "leadership and vision" to support and evaluate the academic activities. Moreover, the president stated that the academic management would be judged on the "academic merit of its decisions after the fact" and that the administrative management would be judged on how well its administrative "decisions facilitate the implementation of the academic decisions" by the President.²⁹

Another major tenet of the new president's management philosophy is the high value he places on motion, mobility, flexibility, and adaptability.³⁰ Thus, in developing the reorganization plan, he adopted a "fluid team approach" to management and as previously noted, created an executive team consisting of the president, vice presidents, chancellors, and special assistants to work together and support each other. With this approach, it is anticipated that "some areas of responsibility will shift from one executive to another or be shared by more than one executive office."³¹

A further change espoused by the new president is the increased emphasis given to UH's relations with its various constituencies outside of its own administrators, faculty, and staff. This is reflected in the new offices of the vice

29. Simone, "Proposed Reorganization of the University of Hawaii."

30. Simone, "Reorganization: Flowering of a University."

31. *Ibid.*

presidents for university relations, student affairs, and research and graduate education, as well as the assistants to the president for telecommunications and international relations. In short, the shift in basic organizational and management philosophy has been said to have resulted in changing the organization of the university from one which stressed the internal relationships between the president's office and the offices of the several vice presidents and chancellors to one which emphasizes the broad range of external relationships between the university and the outside world.³²

The new university administration is also characterized by an extremely active, energetic, and wide-ranging president who expects to be kept fully aware of, if not directly involved in, all facets of the institution's life and activities. Hence, he is constantly on the move and maintains a very heavy schedule of meetings with representatives of UH's various constituencies, both in-state and out-of-state. Such activism becomes doubly intense when they involve fulfilling the dual roles of chief executive officer of the entire university system and chief operations officer for the Manoa campus.

One purpose of formal organization, of course, is to establish clear and firm internal working relationships and to bring about an institutional stability which will transcend individual personalities and will enable the organization to withstand changes in top-level personnel. Hence, it should not have to depend upon a particular individual—not even the top administrator—in order to function effectively. At the same time, an activist chief executive can be expected to stamp

32. *Ibid.*

his or her imprint on the organization. In the case of the new UH president, it can be said that he is such an executive. The new organization has been significantly molded to fit his operating style.

Chapter 3

ASSESSMENT OF THE 1985 ADMINISTRATIVE REORGANIZATION OF THE UNIVERSITY OF HAWAII

In this chapter, the recent administrative reorganization of the University of Hawaii (UH) is assessed to the extent possible within the available time frame; the period of implementation for the reorganization was less than a year at the time of this review. In making this assessment, the new organization is reviewed in terms of its: (1) stated objectives, (2) relationship to the university's strategic plan adopted in early 1985,¹ and (3) attention to organizational problems noted in our 1981 management audit of the university.² Moreover, the combined effects of the organizational restructuring of UH, the movement to decentralize decisionmaking within UH, the efforts to gain greater administrative flexibility for UH, and the shift in basic organizational and management philosophy at UH, were taken into account as discussed in the preceding chapter.

Summary of Findings

1. With the reorganization still in its shakedown phase and incomplete, it is too soon to reach any final conclusions regarding it. At the same time, however,

1. University of Hawaii, Office of the President, "A Strategy for Academic Quality, 1985-1995," Honolulu, July 1984.

2. Hawaii, Legislative Auditor, *Management Audit of the University of Hawaii*, Report No. 81-9, Honolulu, March 1981.

such a long shakedown period indicates inadequate attention to implementation planning and a need to move expeditiously to conclude the implementation process.

2. The reorganization may be heading toward the achievement of various of its stated objectives, but indications are that some will not be attained and others may be fraught with problems. Troublesome signs in these regards include the following:

a. Despite the stated intent to reduce the levels of review, the preparation of the UH budget for the next biennium still included a separate review and decisionmaking process at the Manoa campus level. Moreover, this review was complicated by the presence of three Manoa vice presidents in place of a single chancellor and by a cutback in the number of personnel to work on the budget. The net result was a much delayed budget.

b. Decentralization of decisionmaking should be accompanied by an effective means of ensuring accountability, but there is still lacking at the university an established system for monitoring and evaluating performance on a regular, consistent, and results oriented basis.

c. Delineations of areas of authority, responsibility, and administrative interrelationships remain unclear in some cases which can lead to conflict and confusion and undermine administrative effectiveness.

d. As university administrators now concede, cost savings initially projected for the reorganization will not be realized. Indeed, total additional costs attributable to the reorganization through September 1986 already exceeded \$0.5 million.

3. While the reorganization plan generally addresses the major areas of emphasis contained in the university's strategic plan for 1985 to 1995, further

organizational changes will likely be required if the strategic plan is to be fully implemented. For example, more than the temporary assignment of special assistants to the president will be necessary if the university is truly to achieve an international focus and to adapt successfully to scientific and technological change. The reorganization also does not seem to give adequate focus to the important area of undergraduate education.

4. The reorganization plan and the steps leading up to its adoption indicate that considerable attention has been devoted by the university to our 1981 management audit of the institution. Nevertheless, we question whether sufficient action has been taken to:

- a. Clarify top-level roles and interrelationships.
- b. Establish an effective goals or results oriented system of management accountability.
- c. Provide for a comprehensive and unified approach to personnel management as distinct from a process of administering personnel transactions.
- d. Give adequate attention to the problem of instructional articulation.

Apparent Problems in the Shakedown Process

As indicated in Chapter 2, the reorganization approved by the Board of Regents (BOR) in late 1985 was large and complicated; it required considerable reallocation of resources and involved the organizational transfer of several hundred persons. Although many jobs remained the same, many others were significantly altered and required redescription, reclassification, and, in many cases, adjustment in compensation. In a number of instances, persons had to be recruited to fill new jobs. Many new or revised organization plans had to be prepared for the affected

units, and administrative procedures had to be revised to reflect the new reporting and working relationships.

For any change of this magnitude, it is inevitable that a shakedown period will be required before the new organizational arrangements can be expected to function smoothly. At the same time, it is generally unwise to let such a shakedown period drag on indefinitely. Under such a situation, the process of adjustment can be used as a means for postponing, and perhaps even negating, the intended changes; as an excuse for not performing work that should be done or for not doing it as fast or as well as anticipated; and as a reason for not evaluating the effectiveness of the reorganization itself.

Need for implementation subplan. For these reasons, a good reorganization plan will include an implementation subplan—that is, a carefully worked out set of objectives, timetables and deadlines, tasks to be performed, specific assignments to perform those identified tasks, and processes for monitoring and evaluating the implementation. Needed also is some sort of operations center for fielding questions and dealing with problems as they arise and for making corrections and adjustments in the reorganization plan itself as may be found to be appropriate on the basis of actual experience. Finally, there should be a public relations effort to explain the plan and its effects and to gain an understanding, if not win the acceptance, of the plan from those affected by it. The need for such an implementation plan was particularly acute in this situation because a number of the newly appointed top officials were completely new to their jobs and some of them had little or no prior administrative experience.

Drawn out shakedown period. When we looked at the implementation of this reorganization, however, we found after a year from the time of its announcement

and initiation that it was still incomplete and that the reorganization was still considered to be in its shakedown phase. Organization plans for several key units—including the offices of the vice presidents for academic affairs and student affairs and the offices of the four deans for the Colleges of Arts and Sciences-- were still awaiting final action and approval in the last quarter of 1986.³ Moreover, positions that still had to be redescribed, reclassified, and perhaps adjusted in pay were estimated to be in excess of 100. Due to the dispersion of personnel functions which has occurred under the reorganization and decentralization of decisionmaking at UH, this number could not be pinned down more definitely.

Early lack of coordination. Apparently during their early stages, implementation actions were sometimes uncoordinated and, as a result, were particularly unsettling. Many individuals affected by the reorganization were reported to have been left in suspense for some time before finally being informed where they would be placed. In at least a few instances, persons on short-term leave returned to work to find that their offices had been moved without any prior warning or foreknowledge of this impending action. Some individuals seem to have been misled concerning, or at least did not understand, the nature and status of their new positions.

With reorganization and delegations of authority occurring at the same time, a number of persons found themselves having to perform tasks which were completely new to them and to their organizational units and for which they had received no

3. The reorganization plans for the Colleges of Arts and Sciences were completed on October 27, 1986.

training or other preparation. In similar manner, some unit organization plans had to be held up and reprocessed because the officials involved were not aware of the necessary procedures which had to be followed, such as consulting with the affected collective bargaining representatives.

Conditions apparently improving. Many of these start-up problems seemed to be headed toward resolution during the last quarter of 1986. In addition, these problems did not occur uniformly throughout the organization; some units were able to make the transition much more smoothly than others. As a consequence, most of the individuals we interviewed, both within and outside of the administration, were still optimistic about the combined impact on the university of the reorganization, the move toward decentralization, and the passage of the administrative flexibility legislation.

Nevertheless, a number of line and staff administrators indicated to us that more time was needed for them to solidify their new roles and areas of responsibility and to adjust to the management styles of the president and their administrative colleagues. For these reasons, they did not feel that any meaningful evaluation of the reorganization could be made for another six months—that is, until after the end of the current fiscal year on June 30, 1987.

New developments occurring. In the meantime, other developments have occurred which may well have further destabilizing effects upon the university organization while it is still in this shakedown process. *First*, of the six vice presidents and one associate vice president appointed to carry out the reorganization, four have now left their posts—two joined the new state administration, one retired, and one returned to the private sector. *Second*, UH

has just announced plans to create a new organizational entity to bring together the university's activities relating to the earth and ocean sciences.

These and similar developments will be difficult for UH to assimilate while the reorganization implementation drags on, and it remains uncertain where and when that process is supposed to end and actions on new decisions and developments are supposed to begin. The underlying problem seems to be a lack of adequate attention to planning and preparing for organizational change within the institution. Based on available evidence, no implementation subplan was developed at the time the overall organization plan was being formulated and recommended for approval. Furthermore, since implementation was initiated, no broadly encompassing system has been developed to monitor and manage the implementation process. As a consequence, no one is really in charge of the implementation, many loose ends continue to be left dangling, and there is no certainty as to when the implementation process might be considered completed.

With the university's many substantive areas of concern calling for attention and with additional change looming on the horizon at UH, it would appear appropriate for UH to: (1) move as expeditiously as possible to bring this reorganization effort to a conclusion, and (2) take the necessary steps to establish an approach to organizational change that will include a process for implementation planning and execution.

Recommendations

With respect to the implementation process for reorganization at the University of Hawaii, we recommend as follows:

1. *The president and his executive team should move forthwith to complete the reorganization initiated in December 1985, including formalization of organization plans for all affected units and finalization of personnel actions for all affected personnel.*

2. *The president should assign responsibility for organizational change to an appropriate unit within the overall university organization and should then charge that unit with the task of developing a meaningful approach to carrying out future organizational changes, including the formulation of effective implementation subplans.*

Attainment of the Stated Objectives of the Reorganization Plan

As stated in various documents issued to explain and justify the UH reorganization approved by BOR in November 1985, the primary objective of the reorganization plan was to combine the Manoa campus administrative functions with those of the UH systemwide administration, including a merging of the UH-Manoa chancellor's office into the UH president's office. This was with the intent of reducing the number of levels of administrative review and approval within the institution. More specifically, it would "streamline the organizational structure so that decision making throughout the organization can be faster, more timely, more efficient, and more effective."⁴ To this end, the streamlining called for the following:

4. University of Hawaii, Board of Regents, "Executive Team, Reorganization and the Strategic Plan," Executive Officer's Report No. 5, Honolulu, January 24, 1986.

- "1. Eliminating an entire level of management within the Manoa campus (the Chancellor's Office);
2. Delegating downward in the organization the authority and responsibility for many decisions (by eliminating double checking and upper level reviews); and
3. More carefully specifying expectations at all levels of decision making, it being understood that decisions will be evaluated and feedback provided on a regular basis."⁵

In addition to the foregoing, the president indicated that there would be "major cost savings as fewer people are needed to perform the same functions."⁶ By thus staking out these objectives for the reorganization, the president established one set of criteria by which the reorganization might be evaluated. Accordingly, we looked to see how well or to what extent these objectives were being achieved within the implementation period covered by our review. We also looked at some of the effects of the actions taken. Some of the results of our examination are set forth below. Although it may be too soon to draw any final conclusions regarding the attainment of these objectives, there are warning signals that some of the objectives may be in danger of not being achieved or there may be other problems developing. In the case of the cost saving objective, the evidence is already clear that instead of any cost savings there will be cost increases, both short- and long-term.

5. University of Hawaii, Board of Regents, "Executive Team, Reorganization."

6. *Ibid.*

Elimination of a review step affecting the Manoa campus. One of the advantages claimed for the reorganization was that it would eliminate at least one step in the administrative review and approval process affecting the Manoa campus. This would result from the consolidation of the UH–Manoa administration into the university's systemwide administration and from the installation of a broad systemwide program of delegating authority downward in the organization.

To some extent, this objective is being achieved. In several administrative areas, particularly ones affecting personnel, deans and directors at UH–Manoa are now being allowed to make final decisions where formerly such decisions had to go to the president or to BOR. In these cases, several levels of review and approval have been eliminated.

Table 3.1 depicts some representative changes that have occurred with respect to final approval authority. For example, UH–Manoa deans and directors may now select and approve their own initial faculty hires and reappointments for one year or less whereas previously these appointments had to go to BOR for final approval.

It should be noted, however, that such delegations could have occurred without any change of organization having taken place. In short, the elimination of these review and approval steps did not necessitate any reorganization in order to become effective. Hence, these changes in themselves would not provide a justification for undertaking the reorganization.

Furthermore, there is an important area of decisionmaking where neither the reorganization nor the program of delegations of authority seems to have had much effect in terms of eliminating a review and approval step at the Manoa campus level. Indeed, if anything, the process has become more complicated and protracted as a result of the reorganization.

Table 3.1

Decision Points for Personnel and Administration Actions
Prior to and after January 1986

Action/Transactions	Deans/Directors	Chancellors*	President	BOR Committee	Board of Regents
<u>Appointments</u>					
Initial Hires and Reappointments (One year or less)					
Prior to January 1986					
APT	Select/Recommend	Review/Recommend	Review/Recommend	---	Approve
Executive	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty	Select/Recommend	Review/Recommend	Review/Recommend	---	Approve
After January 1986					
APT (Hire at Minimum Step)	Select/Approve	Approve	Information	---	Information
APT (Hire above Minimum Step)	Select/Recommend	Review/Recommend	Approve	---	Information
Executive	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend**	Approve
Managerial	Select/Recommend	Review/Recommend	Approve	---	Information
Faculty (Manoa)	Select/Approve	---	Information	---	Information
Faculty (Others)	Select/Recommend	Review/Approve	---	---	Information
<u>Classification and Compensation Policy</u>					
Establishment and Maintenance of Classification and Compensation Plans					
Prior to January 1986					
APT	Request	Review/Recommend	Review/Approve	---	---
Executive	Request	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Request	Review/Recommend	Review/Approve	---	Information
After January 1986					
APT	Request	Review/Recommend	Review/Approve	---	---
Executive	Request	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Request	Review/Recommend	Review/Approve	---	Information
Faculty Promotion					
Prior to January 1986					
Faculty (Manoa)	Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty (Others)	Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
After January 1986					
Faculty (Manoa) Ranks 2 & 3	Review/Approve	---	Information	---	Information
Faculty (Manoa) Ranks 4 & 5	Review/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty (Others) Ranks 2 & 3	Review/Recommend	Approve	---	---	Information
Faculty (Others) Ranks 4 & 5	Review/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve

Table 3.1 (continued)

Decision Points for Personnel and Administration Actions
Prior to and after January 1986

Action/Transactions	Deans/Directors	Chancellors*	President	BOR Committee	Board of Regents
<u>Stipend (\$250 or less)</u>					
Prior to January 1986					
APT	Review/Recommend	Review/Approve	---	---	---
Executive/Managerial Faculty	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
After January 1986					
APT (Manoa)	Review/Approve	---	---	---	---
APT (Others)	---	Review/Approve	---	---	---
Executive	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
Managerial	Review/Recommend	Review/Recommend	Review/Approve	---	Information
Faculty (Manoa)	Review/Approve	---	---	---	Information
Faculty (Others)	Review/Recommend	Review/Approve	---	---	Information
<u>Travel</u>					
College, School, Institute Level					
Prior to April 1986	Review/Recommend	Review/Approve	---	---	---
After to April 1986	Review/Approve	---	---	---	---
<u>Organizational and Functional Changes</u>					
College, School, Institute Level					
Prior to April 1986	Review/Recommend	Review/Recommend	Review/Approve	---	Information
After to April 1986	Review/Approve	---	Information	---	Information

Sources: University of Hawaii, Office of the Vice President for Administration, Personnel Management Office; Delegation of Personnel Actions to Vice Presidents, Chancellors, Manoa Deans, and Librarian from President Simone, January 1986; and Memorandum to Mrs. Gladys A. Brandt, Chairman, Board of Regents, Subject: "Delegation of Personnel Actions to the President and/or His Designees" from Albert J. Simone, President of the University of Hawaii, September 9, 1985.

*Chancellors (after January 1986) refer to the Chancellors for Community Colleges and for UH-Hilo/West Oahu College.

**If the hire is for six months or less and it is an acting appointment, the position is not presented to the committee.

This is in the area of budget preparation. When reviewing the preparation of the UH budget request for the 1987-89 fiscal biennium, we found that it was significantly delayed in comparison to previous experience. Whereas the UH budget request has usually been approved by BOR in early summer, in 1986 it was not ready for BOR review and approval until September. Most of this delay was attributable to delays which occurred in the preparation of the budget request for the Manoa campus.

Despite the reorganization, there was a budget review at the Manoa campus level prior to another review at the systemwide level. Only this time, instead of a single chancellor to handle review at the Manoa campus level on a consolidated basis, the review was dispersed among the three new vice presidents with primarily Manoa-related responsibilities. To complicate matters further, there was now only a single budget staff to handle the reviews at both levels whereas previously each level of administration had its own budget staff.

It should be noted that other adverse factors contributed to this situation. For one thing, the personnel involved in the budget preparation were also involved at the same time in the implementation of an internal resource reallocation effort which the president had previously launched. For another, the three Manoa vice presidents generally were quite inexperienced in budget preparation. Similarly, having been drawn primarily from the UH-Manoa budget office, the budget staff were inexperienced in the preparation of the UH systemwide budget. In addition, problems were created by incompatibilities existing between UH's internal budget instructions and the budget instructions of the Department of Budget and Finance. Furthermore, there was the general upset of normal routine which resulted from the

simultaneous implementation during 1986 of the reorganization and the program of delegations of authority.

From one perspective, then, it may be said that the situation surrounding the preparation of the 1987-89 biennial budget request was highly unusual and not likely to be repeated. Hence, there are no grounds for concern in this area. However, the fact remains that the reorganization has not eliminated the Manoa campus level review insofar as budget preparation is concerned. Moreover, with three different entities responsible for this review, the review process is likely to remain more complicated.

It may well be, of course, that it is desirable, if not necessary, to continue to review the UH-Manoa budget at the campus level before it is reviewed at the systemwide level. If so, then it should be recognized that this is one area where a stated objective of the reorganization does not seem to apply. On the other hand, if there is real merit to this objective of the reorganization, then the UH administration may wish to reexamine the budget preparation process more carefully to determine whether this level of review might be eliminated. If the decision is to retain it, then consideration probably should be given to how best to achieve a coordinated review in face of a dispersion of authority and responsibility among three vice presidents whose jurisdictions overlap in some areas.

Ensuring accountability. Providing for a system of accountability is another major objective of the reorganization. As indicated when the reorganization was announced, such a system would include specification of performance expectations throughout the organization, monitoring and evaluation of actual performance on a regular basis, and provision of feedback to those affected (presumably meaning some form of rewards and sanctions for good and inadequate performance).

Conceptually, this feature of the reorganization fits in with a trend which is occurring nationally in the field of education. This trend is generally referred to as educational assessment. It involves the establishment of definite objectives; the development of measures by which to determine whether, or the extent to which, objectives are being attained; and the installation of an actual system for applying the measures, monitoring performance, and making adjustments and corrections as may be appropriate.

However, as we looked at the actual implementation of the reorganization during its first year, we could find very little that has actually been done to give meaning and substance to this stated objective. This lack is perhaps best exemplified by the implementation process itself. As described earlier in this chapter, the reorganization plan is completely devoid of an implementation subplan under which the implementation objectives and timetable could be known and progress toward the attainment of these desired ends could be regularly assessed and appropriate follow-up actions taken.

Inasmuch as educational assessment is very closely related to the issue of administrative flexibility for educational agencies, we discussed this matter several times with the UH president and a number of his key staff members as part of our evaluation of the impact of the administrative flexibility legislation passed in 1986 and discussed in Chapter 2. Based on these discussions, the president concurs with the Legislature about the importance of educational assessment as a management tool and indicates that he intends to install some form of internal self-evaluation at UH within the near future.

However, such a plan or program is still very much in its formative stages. As indicated in our earlier first-year report on our evaluation of the flexibility

legislation, the "Preliminary Working Paper on University of Hawaii Institutional Self-Improvement" is still a far cry from a concrete proposal for action.⁷

In summary, the university after one year into the implementation of the reorganization is falling far short of the objective of effectuating some form of educational assessment as a means of ensuring administrative accountability throughout the organization. Considering the importance of this objective, it appears that this subject warrants immediate and forceful follow-up attention.

Clarification of management roles of top administrators. To attain the objective of a streamlined organizational structure under which decisionmaking can be faster, more efficient, and more effective requires a fairly clear delineation of areas of authority and responsibility and interrelationships among the members of the president's management team. Unless the individual roles and interrelationships among the top administrators are clear to all, the whole organization is not likely to function very effectively or efficiently.

However, as we looked at the new organization and the steps that have been taken to date to implement it, we found a number of ambiguities relative to the roles and interrelationships among the members of the top management team. Part of the problem traces to the formal documents that have been prepared to depict and explain the new organization and its functions.

Basically, the president's span of control encompasses four fairly distinct components: (1) the Manoa campus, (2) the community college system, (3) UH-Hilo/West Oahu College, and (4) the overall university system. The formally

7. Colleen O. Sathre, "Preliminary Working Paper On University of Hawaii Institutional Self Improvement," Honolulu, University of Hawaii, November 1986.

approved organization charts and functional statements make reference to these components and to interrelationships among them, but not in a clear and consistent manner. As a result, delineations of authority and responsibility remain ambiguous and incomplete.

For example, on two organization charts the three Manoa vice presidents are grouped together with the president in the Office of the President in such a way as to indicate that they are separate from the other vice presidents and the two chancellors although all report directly to the president. This suggests that an organization within the overall organization exists to deal with Manoa-related matters. However, the three other vice presidents and one associate vice president are also directly involved in matters affecting Manoa but are not included within the inner organization.

Moreover, the functional statement for the president's office includes functional statements for the three Manoa vice presidents, but makes no mention of the other three vice presidents and the associate vice president. As a consequence, it is impossible to determine from these documents how the various vice presidents are supposed to relate to each other when dealing with Manoa-related matters. Incidentally, the organization charts and functional statements include a position (executive assistant to the president) which had not been approved by BOR at the time of our review.⁸

In like manner, it is difficult to derive from the formal documents how the various vice presidents relate to the two chancellor units. In the case of the three

8. All executive positions must be approved by the Board of Regents.

Manoa vice presidents, the president has simply indicated elsewhere that they will have "primarily Manoa responsibilities, but will also participate fully in needed coordination across all campuses."⁹ As for the other vice presidents and associate vice president, they provide some services to the two chancellor units and, in their systemwide capacities, gather information from the chancellor units. For the most part, however, the chancellor units have their own independent administrative and operational staffs and enjoy a high degree of autonomy. Like the vice presidents, the two chancellors report directly to the president.

These unclear interrelationships are most likely to present problems in areas where systemwide coordination and consistency are important. One such area is articulation among the various instructional units and programs. The transfer of credits when students move among the different campuses and programs has presented difficulties for years within the university system. There is still no one other than the president who can focus on this matter and can bring about better coordination. Another such area is personnel. Long-range planning and development for personnel need to be done on a comprehensive and coordinated basis.

The new setup for the Manoa campus creates another need for increased attention to coordination. This arises from the fact that in place of a single chancellor there are now three vice presidents who have academic program responsibilities. While the lines of demarcation among the three vice presidents are fairly clear, all three can become involved in matters pertaining to each of the

9. Simone, "Proposed Reorganization of the University of Hawaii."

colleges and other programs. As a consequence, deans and directors may now have to deal with three administrators and their respective staffs to handle particular matters whereas previously it may have been possible to deal with only one administrator and staff.

There are other features of the reorganization which may cast doubts concerning the roles of particular administrators. One concerns the vice president for academic affairs. He has been designated to be the president's first deputy and to serve as acting president in the absence of the president. Yet, he is one of the vice presidents who has very narrowly circumscribed systemwide responsibilities and whose main focus is the Manoa campus. Even within the Manoa campus, his responsibilities do not span the whole area of academic concern and are much narrower than those of the former UH-Manoa chancellor. Most large universities have a chief academic officer, but this vice president's allotment of duties hardly qualifies him for such a role.¹⁰ To be able to function truly effectively as the second in command to the president, it would appear that this official should be given broader responsibilities and a more prestigious position.

A similar situation prevails with respect to the associate vice president for planning, policy, and budget. By designating this position as an *associate* vice president, it is given the lowest status among the top administrators even though the

10. The chief academic officer takes an institutionwide view of faculty, students, and curricula; a systemwide view to answer queries on such matters as duplication of programs, tenure and academic freedom, the quality of students, and the missions of the institution as opposed to others in the system; and a national view to be aware of new concerns and issues within the profession in other parts of the country. This is as described by Robert E. Wolverton in "The Chief Academic Officer: Argus on the Campus," *Leadership Roles of Chief Academic Officers*, David G. Brown (ed.), Jossey-Bass Inc., San Francisco, 1984.

position may report directly to the president along with the other positions. Yet, based upon the president's own statements, this is a key position in the new organization. In his public statements and in discussions with us, the president has constantly stressed the importance of gearing all actions to the university's strategic plan and to budget considerations. This position has primary ongoing responsibility for both planning and budgeting. We were never given a clear explanation of why this position was given its designation.

In view of the foregoing, it would appear that additional scrutiny should be given to the delineation of authority, responsibilities, and interrelationships among the members of the president's management team.

Cost implications of the reorganization. As previously indicated, the president when announcing the reorganization anticipated that "major cost saving will occur as fewer people are needed to perform the same functions." He further indicated that with these savings other critical functions identified in the UH strategic plan could be funded.¹¹ The reorganization plan has resulted in the reallocation of nearly 80 positions and the transfer of over 300 individuals.¹² Inasmuch as personnel actions have not been completed on all of the affected positions, it is not possible at this time to come up with definite projections of the overall net cost effect of the reorganization. However, indications are that the

11. University of Hawaii, Board of Regents, "Executive Team, Reorganization."

12. University of Hawaii, Office of the Associate Vice President for Planning, Policy, and Budget and Office of the Vice President for Finance and Operations, "1986 University of Hawaii Reorganization, Details of Position Reallocations as of September 30, 1986," Honolulu.

number of positions that will be upgraded will far exceed the number that will be downgraded. Hence, there is almost certain to be an increase in the ongoing costs of the university due to the reorganization.

In addition, significant one-time costs were incurred for renovating space to accommodate changes brought on by the reorganization. Recognizing these factors, even UH administrators now concede that instead of achieving cost savings, the reorganization will result in cost increases. Set forth in more detail below are those costs which could be identified as of the end of September 1986. At that time, the additional costs were well over \$0.5 million.

Table 3.2 summarizes the increased costs attributable to the reorganization as of September 30, 1986. Of the \$561,248 total shown, almost \$350,000 represents one-time costs—\$325,000 for renovations and \$23,000 for equipment and furnishings. Major renovations were made to Bachman Hall to accommodate the offices of the six vice presidents and the one associate vice president. In addition, renovation costs were incurred to provide administrative space for two of the Colleges of Arts and Sciences.

The personal services costs of more than \$200,000 shown in Table 3.2 reflect the projected annualized additional costs as of July 9, 1986. Thus, they do not present the total additional personnel costs resulting from the reorganization because many of the affected positions were still awaiting reclassification. Of the approximately 80 reallocated positions, about 30 still had to be reclassified as of early November 1986.

Table 3.2

Personal Services, Equipment, and Renovation Costs
for the Administrative Reorganization
as of September 30, 1986

Type	Cost
Personal Services	\$212,311*
Equipment and Furnishing	23,177
Renovations**	325,760
Facilities Planning and Management Office**	\$137,215
Contract Labor	175,045
Telephone Installations	13,500
TOTAL	\$561,248

Sources: University of Hawaii, Office of Finance and Operations and Office of Planning, Policy, and Budget.

*Net annualized personal services costs due to the reorganization as of July 9, 1986.

**Includes \$67,110 of renovation costs for the Colleges of Arts and Sciences.

The shift from the initial projected cost savings to the increased costs identified as of September 30, 1986, represents a total swing of almost \$1 million. This is another indication that inadequate attention was given to the implementation planning for the reorganization. In view of the likelihood that additional organizational changes will be undertaken in the not too distant future, this experience emphasizes even more the importance of preparing carefully for such changes.

Recommendations

Based on the experience of the implementation of this reorganization plan relative to its stated objectives, we make the following recommendations:

1. The president and his administrative team should carefully reassess the review and approval process for preparing budget requests for the Manoa campus to determine whether: (a) a two-level process is still necessary or desirable, and (b) better coordination can be achieved among the actions of the three Manoa vice presidents. Consideration should also be given to the adequacy of budget staff resources to support the review and approval process decided upon.

2. The president should move forthwith to establish a universitywide system of educational assessment as a means of ensuring administrative accountability throughout the institution. This effort should also take into account the need to satisfy legislative and executive concerns about the granting of administrative flexibility to the University of Hawaii.

3. The president and his management team should take a very close look at the network of interrelationships among them with regard to the objective of providing administrative direction and leadership to the university as a whole and to its three major component units—the Manoa campus, the community college system, and University of Hawaii at Hilo/West Oahu College. They should then clarify and describe these interrelationships in broad but sufficient terms so that all affected parties can know who should be doing what and how differences and conflicts can be resolved. In this regard, particular consideration should be given to clarifying and enhancing the roles of vice president for academic affairs and the associate vice president for planning, policy, and budget.

4. *Considering that organizational change is likely to be ongoing at the university, responsibility for this function should be clearly fixed within the organization, and the unit given this responsibility should be charged with developing an effective system for planning and implementing future changes.*

Reorganization in Relation to the University's Strategic Plan

Under the leadership of the current president, UH developed and adopted a ten-year strategic plan for itself entitled, "A Strategy for Academic Quality, 1985–1995." This plan was put into place in mid-1984. According to the president, he and his administrators are influenced by this plan daily in their actions and decisions. Considering the importance thus placed upon the strategic plan, it is appropriate to assess the reorganization in terms of how well it fits in with or serves to enhance the fulfillment of the strategic plan.

Basic outline of the strategic plan. In trying to set a direction for UH for the next ten years, the strategic plan identified and focused upon "five key dimensions" within which more specific strategic objectives were then established and priority actions were set to achieve these objectives. These five dimensions are as follows:

- "A. Serving the State of Hawaii;
- B. Achieving program quality;
- C. Establishing an international—especially Pacific/Asian—focus;
- D. Adapting to scientific and technological change;
- E. Enhancing the 'essence' of a University."

The first two of these dimensions are mainly concerned with strengthening the basic instructional programs of the university, including such things as installing a comprehensive and coordinated set of admissions policies, providing a comprehensive network of campus and educational delivery systems throughout the State, and establishing a general education "core" curriculum. Included also is the stated intent to "return and maintain the University of Hawaii among the top 50 U.S. research universities." The second two of the dimensions focus upon two areas of specialized interest and concern to UH. The final dimension is a general category that deals with such things as emphasizing the importance of students and improving various administrative and management aspects of the university.

Broadly speaking, it can be said that the reorganization addresses a number of the areas given emphasis under the strategic plan. In explaining some of the new functions assigned at the top administrative level under the reorganization plan, the president said they were being "introduced because of the dictates of the Strategic Plan." He then cited the following officials as being included in his new executive team due to the strategic plan:

- ". Vice president for student affairs
- . Vice president for research and graduate education
- . Vice president for university relations
- . Associate vice president for planning, policy, and budget
- . Assistant to the president for international programs
- . Assistant to the president for telecommunications, computers and information technology."¹³

13. University of Hawaii, Board of Regents, "Executive Team, Reorganization."

In some instances, the actions taken under the reorganization represent only partial responses to the demands and aspirations of the strategic plan. For example, the appointment of special assistants to the president for international programs and for telecommunications, computers, and technology is only a first, though probably very necessary, step toward thrusting UH forward in these two areas of perceived importance to UH. Both appointments were only of a temporary nature and the task given to each special assistant was to develop by the end of 1986 a long-range plan for future action in his respective area of responsibility.

How the resultant plans will be used to influence the courses of action the university will pursue in these two areas of concern remains to be seen. The reports will need BOR approval before they are implemented in any form. In any event, more than the temporary creation of special assistants to the president will be required if UH is truly to achieve an international focus and to adapt successfully to scientific and technological change.

While the reorganization resulted at least in initiating action in the areas of international programs and of telecommunications, computers, and technology, it appears to have neglected or given inadequate attention to another extremely important area of statewide concern. This is the area of undergraduate instruction. Undergraduates constitute the largest single group served by UH and are the one element which is common to all campuses of the university. A number of the strategic objectives and priority actions listed in the strategic plan also relate directly to undergraduate education. In this respect, they reflect concerns which

have been expressed nationwide relative to this aspect of higher education.¹⁴ Nevertheless, while there is a vice president for research and graduate education in the new organization, there is no office specifically charged with looking after and coordinating action in the area of undergraduate education.

This is not because there are no problems affecting undergraduate education within the system. As already indicated, instructional articulation has long presented difficulties among UH's several campuses and programs. Concerns have also been expressed regarding the quality of UH's undergraduate programs and the possibility that the needs of undergraduate education may not be approached in the same manner as it approaches its efforts to promote research and graduate education.

This problem is by no means confined to Hawaii. A number of national reports have stressed the need to refocus attention on undergraduate education, especially at large research oriented institutions. In recognition of this concern, several of these institutions have acted to give fresh attention and new emphasis to undergraduate education.¹⁵ The university might well follow their example.

14. See Association of American Colleges, *Integrity in the College Curriculum: A Report to the Academic Community*, The Findings and Recommendations of the Project on Redefining the Meaning and Purpose of Baccalaureate Degrees, Washington, D.C., February 1985; Commission for Educational Quality, *Access to Quality Undergraduate Education*, A Report to the Southern Regional Education Board, Atlanta, Ga., 1985; William J. Bennett, Chairman, National Endowment for the Humanities, *To Reclaim a Legacy*, based on the findings of the Study Group on the State of Learning in the Humanities in Higher Education, Washington, D.C., 1984; and Education Commission of the States, *Transforming the State Role in Undergraduate Education*, Washington, D.C., July 1986.

15. Scott Heller, "Ways to Improve Undergraduate Education Sought by New Alliance of State Universities," *The Chronicle of Higher Education*, Washington, D.C., January 14, 1987.

While organizational change may not be the only or best way to give needed attention to this area, it is one way of doing so.

Probably the main problem regarding interrelationships between the reorganization and the strategic plan is the failure of both to recognize clearly and fully the organizational implications of strategic planning and the need to include organizational review and change as an integral part of the entire planning process. Already additional organizational changes have been announced or projected in furtherance of various objectives set forth in the strategic plan, such as the proposed new entity for earth and ocean sciences. However, no regularized mechanism yet exists within UH for looking at these proposed changes from a comprehensive perspective and in terms of how the overall UH organization might be affected or what adjustments might be made all around to accommodate both existing needs and the interests of the new initiatives.

Recommendations

With respect to the interrelationship between the reorganization and the university's strategic plan, we recommend as follows:

- 1. Organizational planning should be made an integral part of the university's strategic planning process just as budgeting is now closely tied to that process.*

- 2. The university should reassess its approach to undergraduate education in terms of organizational focus and emphasis. In particular, it should determine whether objectives in the area of undergraduate education are being adequately served by the new organization. Based on this reassessment, appropriate modifications of the new organization can be considered.*

The Reorganization in Relation to the 1981

Management Audit of the University of Hawaii

In 1981, the Office of the Legislative Auditor issued a management audit report relative to UH which dealt with various matters affected by the recent reorganization.¹⁶ Based upon a fairly detailed examination of UH's operations, this report sets forth various findings and recommendations relative to UH's organization and management. Inasmuch as the reorganization approved by BOR in late 1985 was the first major organizational change made at UH since the issuance of the audit report, the audit's findings and recommendations were felt to provide another appropriate basis for evaluating the reorganization.

Summary of audit findings and recommendations. The audit identified a number of serious management and organization problems at UH. Summarized below are some of the salient points of the audit report.

For one thing, the audit stressed the need for UH to take a strategic approach to its organization and management based upon planning. To this end, it pointed out needs such as the following:

1. For BOR to clarify its role so as to focus on policymaking and not administrative detail.
2. For development of a mission and goals statement for the university.
3. For an organizational structure based upon a clear delineation of purposes and functions, especially between the systemwide administration and the administrations of the several major operating units.
4. For the establishment of a top-level and ongoing planning activity.

16. Hawaii, Legislative Auditor, *Management Audit*.

In addition to the foregoing, the audit pointed out that higher education is a labor intensive activity and that personnel are probably an institution's most basic and valuable resource. Accordingly, the report recommended that a comprehensive, unified, and greatly invigorated approach be taken to personnel management.

General response to the audit report. As we conducted our fieldwork for this study, we found that in the period between 1981 and 1985, considerable attention was devoted internally within the university to the audit report's findings and recommendations and actions which might be undertaken in response thereto. For example, included in a six part charge of the Manoa Faculty Senate Executive Committee to its Ad Hoc Committee on the Administrative Structure of the University of Hawaii at Manoa was "to review the *Management Audit of the University of Hawaii* prepared by the Legislative Auditor in March 1981 and the various responses (such as those made before the Legislature) as they relate to the administration of the University of Hawaii at Manoa."¹⁷ Also, in 1983 and 1984, system administrators reviewed the auditor's recommendation relating to the establishment of an office of vice president for personnel management and offered alternatives to the recommendation.¹⁸

In follow up on these deliberations on the audit, the university (through this reorganization, the broad program of delegations of authority, and other actions) has

17. University of Hawaii at Manoa, Ad Hoc Committee on Restructuring the Manoa Campus, "Charge to Faculty Senate," Honolulu, April 28, 1982.

18. Memoranda to Fujio Matsuda, President, University of Hawaii, from Harold Masumoto, Vice President for Administration, Subject: Reorganization, January 11, 1984, and May 15, 1984 (unissued).

done much to implement many of the recommendations contained in the audit report. For example, the development and adoption of the strategic plan represents an effort to carry out our call for the establishment of a mission and goals statement for UH. In like manner, the creation of a top administrator responsible for planning, policy, and budget is a big step toward the implementation of our recommendations regarding planning as a management function of the institution.

Moreover, through its broad delegation of authority to the president, BOR has stepped back from direct involvement in administrative details and has put itself in a better position to focus on policymaking. The reorganization plan overall is also very much in compliance with the spirit of the audit report.

Areas where additional action is indicated. Although much has been done to comply with the management audit, there are areas where additional action seems to be necessary if the basic intent of the audit is to be fulfilled. These are discussed below.

1. *Clarification of roles and interrelationships.* One such area concerns the clarification of roles and interrelationships among and between systemwide administrators and administrators at the operating unit level. The merger of the UH-Manoa and systemwide administrations and the broad delegations of authority effectuated throughout the university system represent major steps toward resolving conflicts, confusion, and dissension between the two levels of administration which were so apparent at the time of the audit. However, as brought out in previous discussion, considerable ambiguity exists concerning the separate roles of, and interrelationships among, the members of the new management team. Further efforts will have to be directed toward resolving these ambiguities if the UH administration is to function as smoothly as it should.

2. *Lack of an effective system of accountability.* An even more serious deficiency still existing from the perspective of the audit report is the university's failure to establish in actuality an effective goals or results oriented system of management accountability based upon regular and continuing evaluation of performance. As pointed out in the audit report, such a system of evaluation is too important to be neglected or left undone. The national trend toward educational assessment noted earlier reemphasizes this need for accountability evaluations.

Conceptually, the reorganization plan recognizes and embraces the importance of accountability through evaluation. However, as discussed earlier in this chapter, no actual machinery has yet been established to carry out assessment on a regular, comprehensive, and organized basis. Until this is done, the reorganization will remain lacking in one of its most essential ingredients.

3. *Serious shortcomings in the area of personnel management.* Personnel management is still another area which has received insufficient follow-up action under the reorganization and the accompanying program of delegations of authority. A major portion of the audit report encompassing six chapters was devoted to this vitally important aspect of the overall administrative management of UH. Among other things, we found that UH lacked a comprehensive and integrated personnel program which would ensure both an effective and productive approach to the use of personnel resources and an adequate means of protecting the rights of employees.

We also noted that, after 10 to 15 years of effort and many promises to effect change, UH had made no substantial progress toward achieving effective management over faculty workload. Moreover, we pointed out that UH had been seriously deficient in coming up with any significant approach to faculty and staff

incentives and career development. Contributing to these problems was the wide dispersion of authority and responsibility for personnel management throughout UH's administrative hierarchy.

To deal with these problems, the audit report recommended that a comprehensive and integrated personnel management function be established within the institution and that this function be placed under a single high level officer of the university, such as a vice president for personnel management. Rather than just a personnel transactions operation as had existed up to that time, this function would include personnel planning, collective bargaining, personnel development, personnel transactions, employee safety, employee benefits, employee training, and compliance with equal employment opportunity and affirmative action requirements.

The reorganization, perhaps inadvertently, has the potential for carrying out at least some of the audit report's recommendations. This results from the fact that it provided for one vice president whose major responsibilities lie in the area of personnel administration. Under the reorganization, the former vice president for administration was relieved of all of his responsibilities except for those pertaining to personnel administration, legal affairs, and internal audit. With personnel administration being the largest of these remaining responsibilities, it might be assumed that the major focus of the revamped office would be on personnel management.

In fact, however, under the accompanying program of delegations of authority, UH's central personnel administration function, such as it was, has been largely dismantled. Both personnel decisionmaking and personnel transaction activities have been broadly delegated down the line throughout the organization. To handle this shift in workload, many of the central personnel staff have also been

transferred down into the organization. In like manner, the central personnel files have been dispersed throughout the administrative structure. With all of these changes, very little or no training or preparation was provided to administrators in the units receiving these new or increased personnel responsibilities.

The net result is a much more diffused system of personnel administration and probably a decreased likelihood that a truly comprehensive and integrated system of personnel management will be developed for UH. One result of the dispersion of personnel records may well be that access to personnel information will become more difficult for those who need and should have such information while becoming easier for those who do not need or should not have access.

It is not sufficient to say that the line managers throughout the UH system are now responsible for personnel management and will be held accountable for their performance in this area as in the other areas of their responsibilities. *First*, personnel matters throughout the system are too interrelated for any one unit to be able to act in isolation. *Second*, no adequate system for accountability can be established in this area without some centralized means of setting objectives and standards, of developing performance measures, and of actually monitoring performance against these measures. *Third*, it will continue to be difficult to build a case for UH administrative flexibility in the area of personnel administration without an effective centralized capability to exert management control in this area.

In short, despite undertaking this broad scaled reorganization, UH appears to be as far from achieving an adequate system of personnel management as it was at the time of our management audit more than six years ago.

4. *Lack of focus on articulation.* There is at least one other area of deficiency noted in the 1981 audit report which does not appear to have received adequate focus under the reorganization. This is the area of instructional articulation which is closely related to the whole matter of properly delineating interrelationships among the various component units which make up the UH system. It is also related to the role of undergraduate education within the UH system for it is at the undergraduate level that articulation presents the most serious problems.

As pointed out in the audit report, UH had failed to develop and implement a universitywide system of articulation among the various instructional units and programs despite protracted efforts to effectuate improvement in this area. As brought out in the previous discussion regarding the relationship of the reorganization to the strategic plan, the reorganization still fails to focus adequately on this problem. Thus, by failing to comply with the strategic plan in this regard, the reorganization has also failed to carry out relevant recommendations of the audit report.

Recommendations

Considering the reorganization in the light of the 1981 management audit of the University of Hawaii, we recommend as follows:

- 1. The president and his management team carefully reassess their respective roles and interrelationships with each other and then should broadly, but clearly and sufficiently, establish and describe their areas of authority and responsibility and how they should interrelate to one another.*

2. *The president and his management team move forthwith to develop and implement an adequate system of management accountability based upon evaluation and educational assessment.*

3. *The president and his management team also take another careful look at the whole area of personnel management and develop a comprehensive and integrated approach to this area of vital importance to the university.*

4. *In line with still another earlier recommendation, the president and his management team take appropriate steps to ensure that the university's administrative structure gives proper focus to the whole matter of instructional articulation.*

APPENDIX

APPENDIX

DELEGATIONS OF AUTHORITY FOR PERSONNEL, BUDGET, AND ADMINISTRATIVE ACTIONS

The following is a summary of the delegations of authority by the president since the implementation of the reorganization plans. Many of the delegations have been revised and amended since their initial issuance.

Personnel Delegations

By memoranda, the President of the University of Hawaii (UH) has delegated to the vice presidents, chancellors, and UH-Manoa deans and directors, the authority for the following personnel actions:¹

1. All appointments of non-compensated and casual hire personnel other than those in the executive/managerial classification. (As appointments to effect faculty exchange agreements generally involve no compensation from the University of Hawaii, the subject appointees would be considered non-compensated personnel.)
2. Overload within policy.
3. Initial appointments within policy of one year or less of all Board of Regents' personnel, other than executive/managerial personnel to include appointments of departmental or divisional chairpersons.
4. Reappointments of all Board of Regents' personnel other than executive/managerial personnel, for period of one year or less.
5. Changes in titles [other than Administrative, Professional and Technical (APT) reclassifications], changes in full-time equivalencies, and employee transfers for faculty and APT personnel.
6. Stipends for all classes of Board of Regents' employees other than executive/managerial personnel within university policies or collective bargaining agreements. To insure uniformity and consistency, stipends exceeding \$250 per month shall require presidential approval.

7. Pay adjustments for APT and faculty personnel as provided by the appropriate collective bargaining agreements and pay adjustments within policy effected by appointment changes (e.g., promotion, reclassification).
8. Leaves, both with pay and without pay, for other than executive/managerial personnel, within existing Board of Regents' policies or collective bargaining agreements, provided such leaves do not exceed more than two years in any seven-year period. Normally, leaves without pay are not creditable toward sabbatical leave. However, if circumstances merit an exception to this policy, the arrangement must be approved by the vice president for academic affairs.
9. Adjustment (shortening or lengthening) of probationary periods for all faculty within the contractual provisions.
10. Establishment, abolishment and classification of faculty positions within policy and in accordance with position control management.
11. In-service and out-service training.
12. Service and retirement awards program.
13. Authority to accept all resignations on behalf of the university within the respective administrative units.
14. Approve individual Incentive Early Retirement agreements. Any resource allocation issue arising therefrom should be discussed with the associate vice president for planning, policy, and budget.

In addition to the delegations cited above, specific individuals received the following delegations:

1. The Dean, College of Education, has also been delegated to report to the Board of Regents of Cooperative Education Teachers.
2. The Chancellor, UH-Hilo and West Oahu College, and the Chancellor, Community Colleges, have been delegated the authority to promote faculty personnel up to the rank of I3 and C3.
3. The Chancellor, UH-Hilo and West Oahu College; the Chancellor, Community Colleges; and the vice president, finance and operations, have been delegated the authority to determine liability for workers' compensation claims, including representation as employer's designee in contested cases and liaison in legal proceedings.

4. The Chancellor, Community Colleges; the Chancellor, UH–Hilo and West Oahu College; and the Dean, Summer Session, have been delegated the authority to appoint lecturers, and additionally, in the case of the Chancellor, UH–Hilo and West Oahu College, the authority to appoint cooperating teachers and counselors. In addition, these individuals have been delegated the responsibility for timely transmittal to the Board of Regents (within 30 days after the beginning of each session) the list of non–university personnel who teach summer session courses. The Chancellor, UH–Hilo and West Oahu College has also been given the responsibility for transmittal to the Board of Regents (within 30 days after the beginning of each semester) of the list of cooperative appointments, containing names and employing organization, to be sent to the Personnel Management Office in the same manner as that for transmitting the monthly Report of Personnel Transactions (i.e., delegated personnel actions for reporting to the Board of Regents), except that in this instance, this is to be done for the September or October and February or March reports.
5. The Chancellor, UH–Hilo; the Chancellor, Community Colleges; the Deans of the Colleges of Business Administration, Natural Sciences, and Engineering; and the Directors of the Institute for Astronomy, Hawaii Institute for Marine Biology, and Hawaii Institute for Geophysics have been given the authority to approve above–maxima salary placements not to exceed Step 15 for faculty in the board–approved high demand disciplines.

Budgetary and Administrative Delegations

By memorandum on April 26, 1986, the president delegated to the UH–Manoa deans and directors, the final approval authority for the following budgetary and administrative actions:

1. All position control actions for Board of Regents positions (except for executive/managerial positions).
2. All travel except for deans and directors traveling out–of–state.
3. Establishment of all account codes.
4. All requests for While Actually Employed actions.
5. All casual hires.
6. Position variances (in consultation with the Personnel Management Office).

7. Relocation allowance not exceeding \$3,000 (higher amount to be approved by appropriate vice president).
8. Memberships in professional organizations.
9. Organizational changes in administrative support functions below the college or institute level.

The president also delegated the same authority for the previously cited actions to the vice presidents and associate vice president, with the exceptions of out-of-state travel and relocation allowances for the vice presidents and the associate vice president.²

In addition, the president delegated to the chancellor of the community colleges, the chancellor of UH-Hilo and West Oahu College, and the State Director, Vocational Education, the authority for the following actions:³

1. Position control actions involving the establishment of permanent and temporary positions except for executive/managerial positions, and in the case of the State Director, Vocational Education, position variances (in consultation with the Personnel Management Office).
2. Organizational changes in administrative support functions at the campus level and below for the community colleges, at the college level and below in the case of UH-Hilo, below the chancellor's level for West Oahu College, and below the state director's level for vocational education.

FOOTNOTES

Appendix

1. Memorandum to Vice President Horii from Albert J. Simone, President, Subject: Delegation of Personnel Actions, January 9, 1986. Memorandum to Vice President Horii from Albert J. Simone, President, Subject: Delegation of Personnel Action, January 14, 1986. Memoranda to Dean, Education; Dean, Public Health; Dean, Tropical Agriculture and Human Resources; Dean, Business Administration; Dean, Engineering; Dean, Medicine; Dean, Social Work; Dean, Nursing; Dean, CCECS; from Albert J. Simone, President, Subject: Delegation of Personnel Actions, January 17, 1986. Memorandum to Dean, Arts and Humanities; Dean, Languages, Linguistics, and Literature; Dean, Natural Sciences; Dean, Social Sciences; Associate Dean for Academic Affairs, A&S; from Albert J. Simone, President, Subject: Delegation of Personnel Actions, January 21, 1986. Memorandum to Chancellor Ralph Miwa and Chancellor Joyce Tsunoda from Albert J. Simone, President, Subject: Delegation of Personnel Actions, January 22, 1986. Memorandum to Vice President for Finance and Operations; the Deans of Education, Public Health, Tropical Agriculture and Human Resources, Law, Summer Session, Library Studies, Architecture, Business Administration, Medicine, Social Work, Nursing, CCECS, Arts and Humanities, Languages, Linguistics, and Literature, Natural Sciences, and Social Sciences; University Library; and the Associate Dean for Academic Affairs, A&S; from Albert J. Simone, President, Subject: Delegation of Personnel Actions, January 31, 1986. Memoranda to Vice President Yount, Research and Graduate Education, and Dean, TIM, from Albert J. Simone, President, Subject: Delegation of Personnel Actions, February 3, 1986. Memoranda to Dean, College of Engineering; Vice President for Finance and Operations; Vice President for Research and Graduate Education; Chancellor Ralph Miwa; Chancellor Joyce Tsunoda; the Deans of the College of Education, School of Public Health, College of Tropical Agriculture and Human Resources, School of Law, Summer Session, Library Services, School of Architecture, College of Business Administration, School of Travel Industry Management, School of Medicine, School of Social Work, School of Nursing, College of Continuing Education and Community Service, Arts and Humanities, Languages, Linguistics and Literature, and Natural Sciences; University Librarian; and the Associate Dean for Academic Affairs, A&S; from Albert J. Simone, President, Subject: Delegation of Personnel Actions, February 5, 1986. Memorandum to Vice President for Student Affairs from Albert J. Simone, President, Subject: Delegation of Personnel Actions, February 18, 1986. Memorandum to Chancellor, University of Hawaii at Hilo; Chancellor, Community Colleges; Dean, College of Business Administration; Dean, Natural Sciences, College of Arts and Sciences; Dean, College of Engineering; Director, Institute for Astronomy; Director, Hawaii Institute for Marine Biology; and Director, Hawaii Institute for Geophysics; from Albert J. Simone, President, Subject: Delegation of Authority to Recruit Faculty in High Demand Disciplines, February 21, 1986. Memoranda to Vice President for Academic Affairs and State Director for Vocational Education from Albert J. Simone, President, Subject: Delegation of Personnel Actions, February 25, 1986. Memoranda to Vice President Horii, Finance and Operations; Vice President Yount, Research and Graduate Education; Vice President Young, Student Affairs; Chancellor Ralph Miwa; Chancellor Joyce Tsunoda; State Director for Vocational Education Inaba; Deans of

Arts and Humanities, Languages, Linguistics, and Literature, Natural Sciences, and Social Sciences; Associate Dean for Academic Affairs, A&S; Deans of Business Administration, Engineering, Medicine, Social Work, Nursing, CCECS, TIM, Education, Public Health, Tropical Agriculture and Human Resources, Law, Summer Session, Library Studies, and Architecture; and the University Librarian; from Albert J. Simone, President, Subject: Delegation of Personnel Actions, May 16, 1986. Memorandum to Director, Intercollegiate Athletics, UHM, from Albert J. Simone, Subject: Delegation of Personnel Actions (BOR) Employees, August 25, 1986. Memoranda to Directors of Office of Research Administration, Cancer Research Center of Hawaii, Hawaii Institute of Geophysics, Hawaii Institute of Marine Biology, Hawaii Natural Energy Institute, Institute for Astronomy, and Pacific Biomedical Research Center, and the Dean, Graduate Division, from Albert J. Simone, President, Subject: Delegation of Personnel Actions, September 8, 1986. Memoranda to Chancellor, UH Hilo and West Oahu College; Chancellor, Community Colleges; and Dean, Summer Session; from Anthony J. Marsella for Albert J. Simone, President, Subject: Delegation of Reporting Responsibility, October 1, 1986.

2. Memorandum to Acting Vice President Marsella; Vice Presidents Agsalud, Horii, Masumoto, Young, and Yount; and Associate Vice President Sumida; from Albert Simone, Subject: Delegation of Authority, May 2, 1986.

3. Memoranda to Acting Chancellor Ralph Miwa, Chancellor Joyce Tsunoda, and State Director Lawrence Inaba, from Albert Simone, Subject: Delegation of Authority for Selected Budgetary and Administrative Actions, June 12, 1986.

Figure 2.4

Colleges of Arts and Sciences
University of Hawaii at Manoa
October 1986

Source: University of Hawaii, Office of Planning, Policy, and Budget.

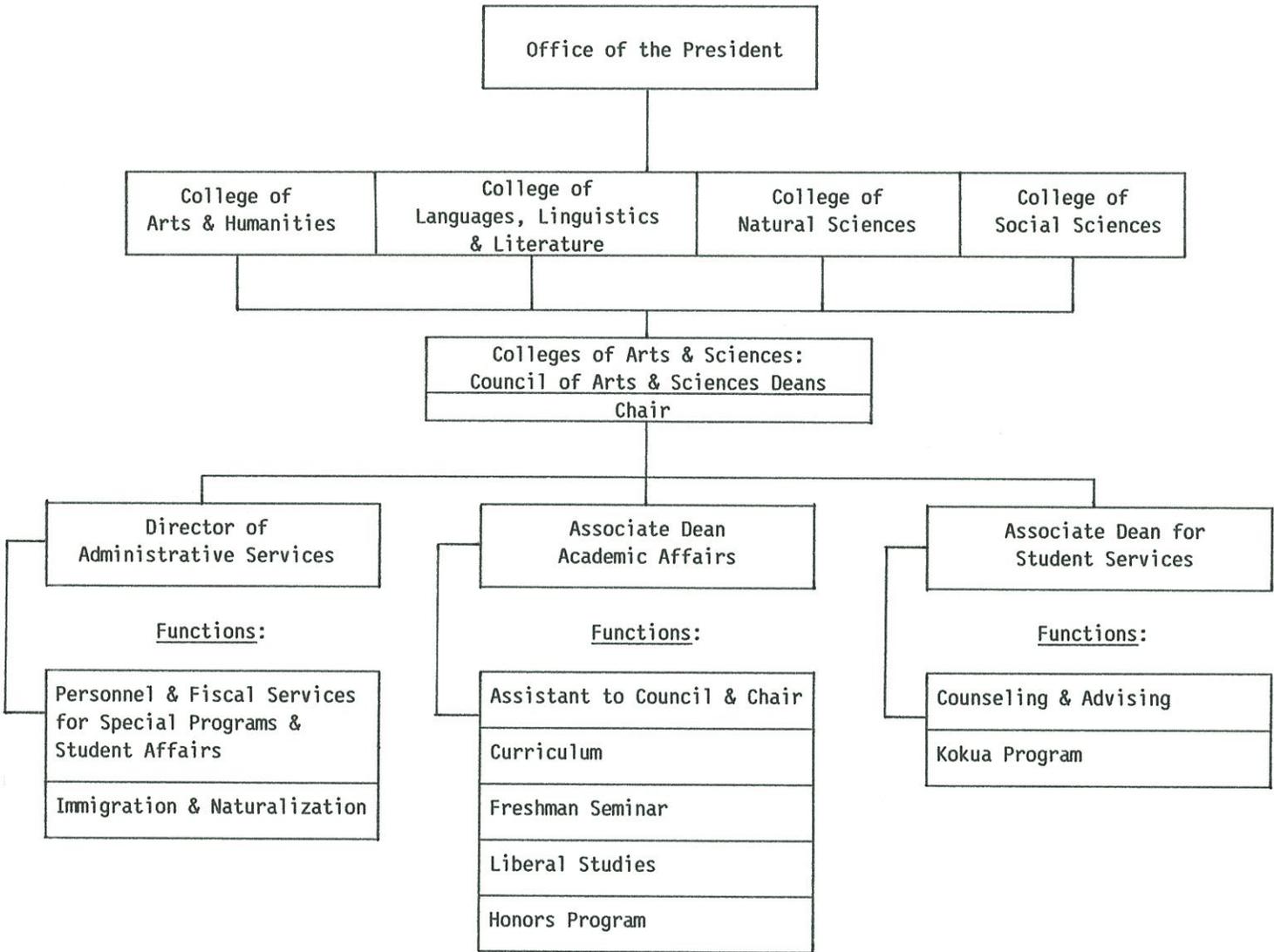


Table 3.1

Decision Points for Personnel and Administration Actions
Prior to and after January 1986

Action/Transactions	Deans/Directors	Chancellors*	President	BOR Committee	Board of Regents
<u>Appointments</u>					
Initial Hires and Reappointments (One year or less)					
Prior to January 1986					
APT	Select/Recommend	Review/Recommend	Review/Recommend	---	Approve
Executive	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty	Select/Recommend	Review/Recommend	Review/Recommend	---	Approve
After January 1986					
APT (Hire at Minimum Step)	Select/Approve	Approve	Information	---	Information
APT (Hire above Minimum Step)	Select/Recommend	Review/Recommend	Approve	---	Information
Executive	Select/Recommend	Review/Recommend	Review/Recommend	Review/Recommend**	Approve
Managerial	Select/Recommend	Review/Recommend	Approve	---	Information
Faculty (Manoa)	Select/Approve	---	Information	---	Information
Faculty (Others)	Select/Recommend	Review/Approve	---	---	Information
<u>Classification and Compensation Policy</u>					
Establishment and Maintenance of Classification and Compensation Plans					
Prior to January 1986					
APT	Request	Review/Recommend	Review/Approve	---	---
Executive	Request	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Request	Review/Recommend	Review/Approve	---	Information
After January 1986					
APT	Request	Review/Recommend	Review/Approve	---	---
Executive	Request	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Managerial	Request	Review/Recommend	Review/Approve	---	Information
Faculty Promotion					
Prior to January 1986					
Faculty (Manoa)	Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty (Others)	Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
After January 1986					
Faculty (Manoa) Ranks 2 & 3	Review/Approve	---	Information	---	Information
Faculty (Manoa) Ranks 4 & 5	Review/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve
Faculty (Others) Ranks 2 & 3	Review/Recommend	Approve	---	---	Information
Faculty (Others) Ranks 4 & 5	Review/Recommend	Review/Recommend	Review/Recommend	Review/Recommend	Approve

Table 3.1 (continued)

Decision Points for Personnel and Administration Actions
Prior to and after January 1986

Action/Transactions	Deans/Directors	Chancellors*	President	BOR Committee	Board of Regents
Stipend (\$250 or less)					
Prior to January 1986					
APT	Review/Recommend	Review/Approve	---	---	---
Executive/Managerial Faculty	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
After January 1986					
APT (Manoa)	Review/Approve	---	---	---	---
APT (Others)	---	Review/Approve	---	---	---
Executive	Review/Recommend	Review/Recommend	Review/Recommend	---	Approve
Managerial	Review/Recommend	Review/Recommend	Review/Approve	---	Information
Faculty (Manoa)	Review/Approve	---	---	---	Information
Faculty (Others)	Review/Recommend	Review/Approve	---	---	Information
<u>Travel</u>					
College, School, Institute Level					
Prior to April 1986	Review/Recommend	Review/Approve	---	---	---
After to April 1986	Review/Approve	---	---	---	---
<u>Organizational and Functional Changes</u>					
College, School, Institute Level					
Prior to April 1986	Review/Recommend	Review/Recommend	Review/Approve	---	Information
After to April 1986	Review/Approve	---	Information	---	Information

Sources: University of Hawaii, Office of the Vice President for Administration, Personnel Management Office; Delegation of Personnel Actions to Vice Presidents, Chancellors, Manoa Deans, and Librarian from President Simone, January 1986; and Memorandum to Mrs. Gladys A. Brandt, Chairman, Board of Regents, Subject: "Delegation of Personnel Actions to the President and/or His Designees" from Albert J. Simone, President of the University of Hawaii, September 9, 1985.

*Chancellors (after January 1986) refer to the Chancellors for Community Colleges and for UH-Hilo/West Oahu College.

**If the hire is for six months or less and it is an acting appointment, the position is not presented to the committee.