Welcome to the Administrative Leadership Meeting and Breakfast

September 13, 2022

Administrative Leadership Meeting

Randy Woodson

Chancellor

Tuesday, September 13, 2022

Upcoming ALMs

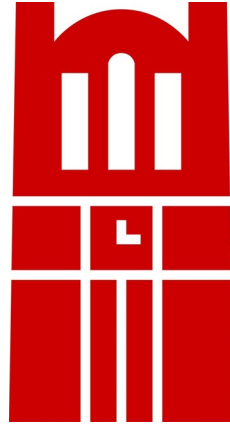| November 15	Technology Commercialization	Titmus
January 17	TBD	Titmus

- Ranked 72 nationally
- Ranked 29 among publics

Human Resources Path to Goal 5

The OneHR Operating Model

Tim Danielson, Associate Vice Chancellor for University Human Resources
Administrative Leadership Meeting
Tuesday, September 13, 2022

Challenges of Higher Education: Workforce Status

- 40% of U.S. workers are considering leaving their job*

- 57.2% of higher education professionals are at least somewhat likely to seek work elsewhere in the next year**

- NC ranked 8th out of 50 states in the number of resignations in March 2022***

*McKinsey & Company (March, 2022)

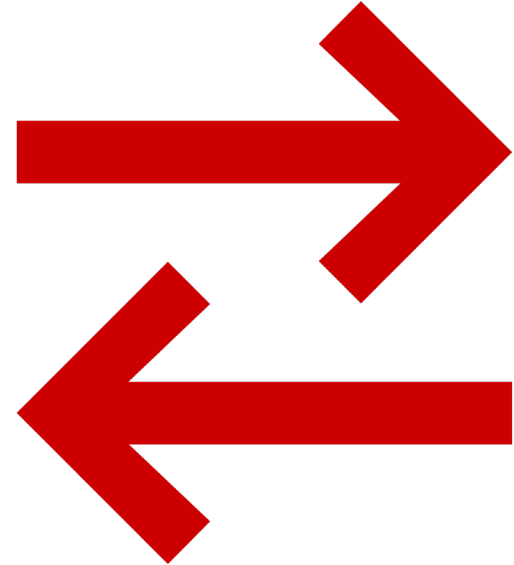**CUPA-HR 7.21.22

***Wallethub (May, 2022)

Challenges of Higher Education: Workforce Status

NC State Voluntary Separations

- Faculty: 1%
  - CUPA approximately 2.5%

- Staff: 11.8%
  - CUPA approximately 14%

Challenges of Higher Education: Workforce Status

- 4.54 million resignations in the United States in March, 2022, a monthly record*

- 4.30 million resignations in the United States in May**

- 3.99 million resignations in June and July***

*U.S. Bureau of Labor Statistics

**Fortune, July 21, 2022

***Newsweek, August 26, 2022

Challenges of Higher Education: Workforce Status

Retention Rate

Year	Rate
2018-2019	90.78
2019-2020	91.46
2020-2021	91.56
2021-2022	86.7
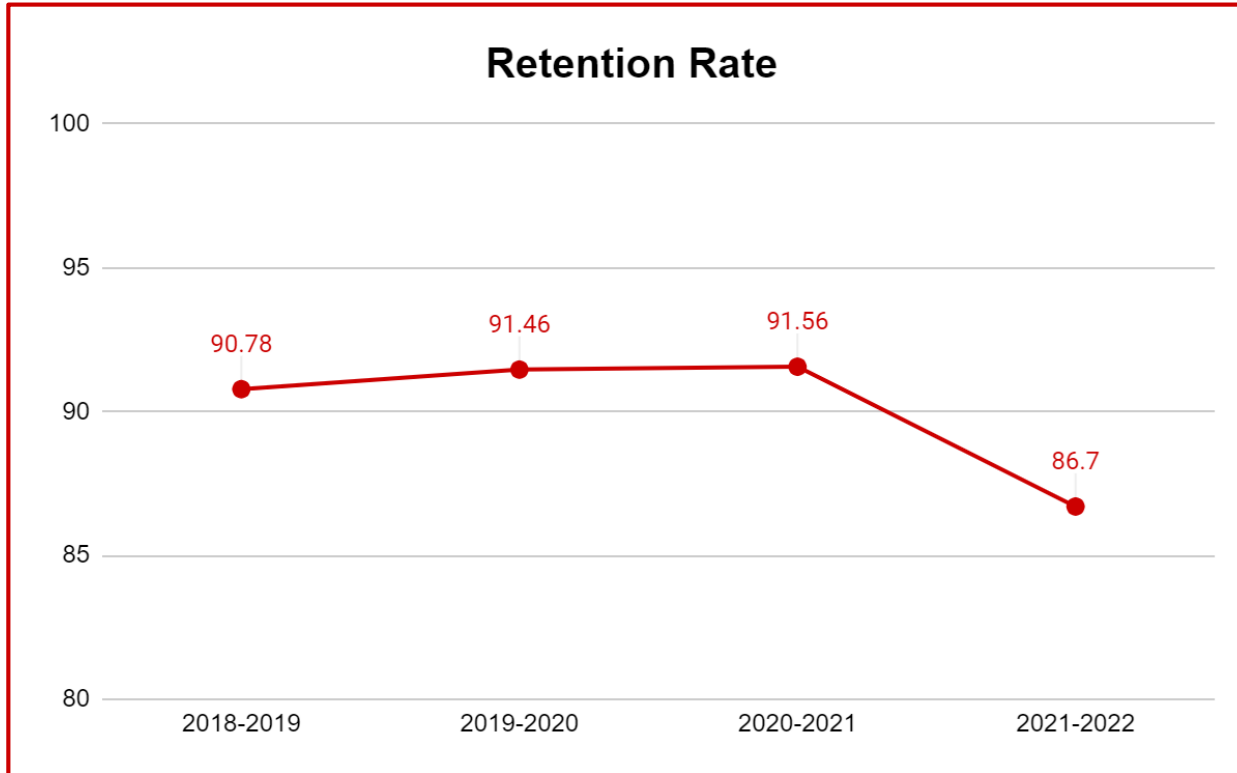
Retention rate: The number of retained employees divided by the number of active employees at the beginning of the period.

Retained employee: An employee who is present from the beginning through the end of the period.

Challenges of Higher Education: Workforce Status

Top Recruiting Challenges of 2022

1. Labor/Talent Shortage
   - In May, the unemployment rate was <u>3.6%</u>, suggesting that the US is close to "full employment." There aren't enough individuals remaining to fill all of the open positions.

2. More Passive Candidates
   - 70% of the global workforce comprises passive candidates.

3. Increased Competition
   - With the talent shortage, employers compete for a smaller pool of candidates.

Challenges of Higher Education: The Future

- Faculty are currently single-university employees; in the future, they could become multiple university free agents.

- Arizona State is currently 140,000 students. Their goal is 300,000 students in three years, including major partnerships with Starbucks, etc.

- Universities are affiliating for joint degrees.

- Public/private partnerships involving universities are on the rise.

- Large national/international universities will emerge.
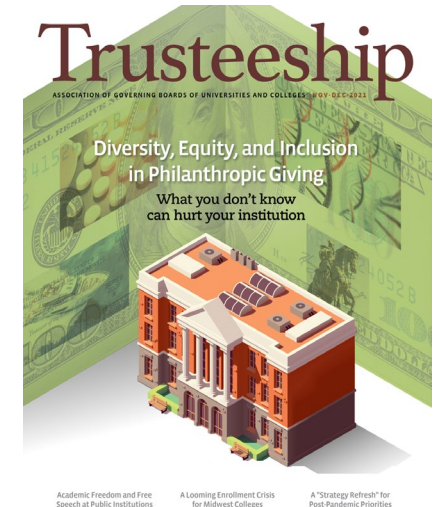
Challenges of Higher Education

- The challenges facing are multifaceted, including:
  - A workforce looking for the next opportunity
  - A future that in many ways looks much different than the last 25 years in higher education

- Successfully meeting the challenges requires:
  - A strategic plan, including goals and a vision for the future
  - For HR, an operating model that best brings together our ideas, best practices and knowledge into OneHR

Strategic, Visionary Plan

Wolfpack 2030: Powering the Extraordinary

Vision: As a preeminent public research university, NC State University will be increasingly recognized **nationally and internationally** for its **innovation** in education, research, scholarship and engagement that **solves the world's most critical challenges**. NC State will be known as a **diverse, equitable and inclusive community** that has a transformative impact on society and advances the greater good.

Wolfpack 2030: Powering the Extraordinary

Goal 5: Improve **university effectiveness** through transformative technologies, **cutting-edge processes** and actionable data.

OneHR Operating Model

- Lots of interesting challenges…

- A society that's ever changing, sometimes unpredictably, at an accelerating rate…

- A university with an excellent strategy with a big, bold, vision…

- **Predicts a business operating model that allows for innovation, collaboration, communication and nimbleness.**

Characteristics of OneHR

- An operating model of <u>innovative partnerships</u> between institutional leaders and across the HR community
  - An HR community, i.e., all HR professionals, that works together to serve the faculty/staff of NC State
  - Idea generation with a focus on raising the effectiveness of the HR function
  - Practitioners well versed in the work of HR at NC State
  - Consultants with deep SME in the facets of HR

Characteristics of OneHR

- The foundation of innovative partnerships is trust
  - Ideas are accepted and considered, regardless of source
  - The concepts of power and authority fade and are replaced by the desire to achieve goals and reach the vision
  - The value of all parties who contribute to the completion of the HR function is understood and recognized
  - Partners demonstrate vulnerability and view circumstances as learning opportunities

Outcomes of OneHR

- Business processes focused on best practices and greater standardization

- Commonality of automation and system implementations improve our workflow and communication

- The work of HR is continuously improving, with the entire HR community contributing ideas for improvement.

- **Through training and credentialing, the completion of HR work moves closer to decision makers**
  - Process execution will happen faster
  - We will maintain our regulatory and compliance responsibilities across the organization

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Outcomes of OneHR

Example of OneHR in Action

- Strategy teams for recruitment, retention, succession planning, and Diversity, Equity, Inclusion & Belonging
    - Each team is made up of HR professionals from across NC State
    - Each team is charged with identifying strategic ideas, including specific tactics, that can help NC State combat these challenges
    - The teams are utilizing the concepts of trust and innovative partnerships fully

Outcomes of OneHR: Strategy Teams

- **Recruitment:** An enhanced social media presence and tactics to address passive job seekers

- **Retention:** Specialized career planning for staff

- **Succession Planning:** A process to help administrators consider succession planning

- **DEI&B:** Exploration of how the University can enhance the sense of belongingness among its faculty/staff

OneHR Intentional and Formalized

For the OneHR operating model to be implemented and successful, a system of accountability that is intentional and formal must exist.

OneHR Intentional and Formalized

- Via the establishment of Memoranda of Understanding between the CHRO and college/division leadership

- Through the establishment of a University rule formalizing the role of the CHRO and establishing accountability via dotted line reporting for HR professionals through the CHRO

- The CHRO will contribute to the HR Leads' annual performance review

- Periodic auditing of delegated responsibility to insure compliance and standardization of best practices is observed

OneHR Intentional and Formalized

NC State Rule

1. Purpose: The Chief Human Resources Officer (CHRO) has responsibility for and authority over the University Human Resources (HR) function. This responsibility and authority are necessary in order for the HR function to achieve maximum effectiveness and efficiency, stewardship of resources, appropriate accountability of performance and continual service improvements for NC State faculty and staff.

2. Scope: This Rule applies to all HR business processes and approval for all personnel transactions for HR positions.

3. Authority of CHRO and Relationship to HR Professionals Throughout the University: The CHRO has authority for all HR business processes and approval for all personnel transactions for HR positions. The CHRO serves as the decision maker for broad HR-related matters and is the primary liaison between NC State Human Resources and the University of North Carolina System Office of Human Resources.

4. Reporting Structure for HR Functions: Where appropriate, certain HR professionals across the university will have a solid reporting line to the supervisor in the unit to which they are assigned and will have a dotted reporting line to the CHRO. These types of reporting relationships will be defined and memorialized in a Memorandum of Understanding between the head of the College or Unit where the professional has a solid reporting line and the CHRO.

OneHR Prototypes

- **College of Education**
  - New HR Lead search underway

- **Campus Enterprises**
  - First delegation will occur

OneHR Conclusions

- There are many challenges and opportunities in the higher education landscape, and many of those have HR impacts (urgency for change)

- NC State has an excellent strategic plan with a bold vision and goals (the change vision)

- Realizing the vision for HR requires innovation, collaboration, communication and nimbleness (empower broad based action)

- Innovative partnerships are based on trust (empower broad based action)

- The OneHR operating model connects HR professionals in a fashion that allows HR to contribute to the realization of the institution's vision (incorporate changes into the culture)

A connected HR community that innovatively partners to solve NC State's most critical challenges….

OneHR