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FINAL REPORT

A STUDY OF THE STRUCTURE AND DESIGN OF THE HUMAN RESOURCES FUNCTION AT NJIT

GENERAL SUMMARY

The New Jersey Institute of Technology should rebuild its human resources management function if it wishes to meet contemporary standards for excellence in the design and performance of the function.

The structure and design of the existing human resources organization inhibits the ability of the institution to develop and deliver services and programs through this function that should directly contribute to the successful management of the institution.

The existing design and performance of the human resources activity reflects an abandonment of both historical and contemporary roles for this management discipline.

Many members of the staff of this distinguished university who participated in the study feel that control of NJIT HR programs has drifted from professionals having primary commitments to the body of knowledge known as human resources management to professionals primarily committed to the body of knowledge relating to the legal framework surrounding such programs.

A substantial preponderance of the participants expressed the opinion that Human Resources has been subordinated and is now functioning almost exclusively through the prism of the NJIT Office of General Counsel — in both policy development and policy administration.

The two principal recommendations are:

- 1. Renew a charter for and re-establish a Human Resources organization that incorporates all functional aspects appropriate to its primary mission of helping NJIT achieve and retain a highly motivated, well-trained, productive, effective, and fairly rewarded staff;**
- 2. Refocus the charter for the Office of General Counsel regarding its roles in Human Resources Management to providing legal advice and counsel, rather than engaging in direct management and/or administration of policies and programs in that functional area.**

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BRIEF HISTORIC NOTE

In all economic sectors of the nation today, there are policies and services provided by Human Resources Management departments that have clear and continuous origins that are a century old.

Prior to World War I, some very successful, progressive companies, some national governments, and a number of universities were examining and advocating ideas to reform the manner in which employees generally were treated in the workplace. Prominent in these early efforts were such organizations as:

AT&T, General Foods, DuPont, and the Commonwealth Edison utility (Chicago);

The federal governments of the United States and Canada; and

The University of Chicago, University of Pennsylvania, and The University of Wisconsin.

The principal thrusts of the advocates were public declarations in varied forums that improved supervision and new workplace policies would enhance worker morale, motivation, and productivity, and contribute to mission success of the organizations employing these new techniques.

Pioneering work was done in developing position classification plans to help assure equitable and competitive compensation. Cooperative working relationships — now likely called "employee participation" or "team-building" — were established and tested. Worker motivation was studied, and new knowledge about the social character of a workplace was developed. Good quality skills training and employee development programs were initiated.

All of these efforts — early described as the "Human Relations Movement" and later as "Personnel Administration" — were *voluntary* actions of the participating employers. There was no extensive body of law directing these activities.

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In fact, through the 1930's and into the 1970's, a growing number of workplace reform advocates successfully pushed for state and federal laws to guide many employers into the adoption of these new programs — illustratively, laws to foster collective bargaining; to assure equal pay for equal work; to prohibit discriminatory employment practices; to prohibit sexual harassment; and to promote employee health and safety.

Now at the start of the twenty-first century, a huge framework of workplace law is in place and must be understood and considered when employers develop policies and adopt practices to manage their enterprises.

However, it is the role of Human Resources Management professionals within individual enterprises to continue to pursue the optimal conditions for their workplace that will contribute to optimal worker performance and organizational success within, but not limited to, the huge legal framework.

Many successful employers design and use programs surpassing employment law standards because they have experienced the economic benefits of having a skilled, strongly motivated workforce that works in harmony and perceives equitable treatment in all aspects of workplace relationships.

THE NATURE AND METHOD OF THE STUDY

Limited Scope of the Study and Announcement to the Community

This study was designed to answer a narrowly limited question:

How should the Human Resources function at NJIT be structured?

No detailed, analytical examination of the content and quality of the Human Resources programs and services currently offered was performed.

The study was announced electronically throughout the university, accompanied by the consultant's credentials. Staff who were not invited to a meeting for a designated group could attend either or both of the two Open Forums for discussions with the consultant.

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THE NATURE AND METHOD OF THE STUDY[CONTINUED]

The Participants

While the participants in the study were not selected statistically from among the approximately 1100 employees of NJIT, in the opinion of the consultant they represented a reasonable cross-section of persons who might have had interest in the subject being studied. This is particularly the case because of the offer of two Open Forums that permitted voluntary participation to every employee.

The following groups participated:

1. Staff of Human Resources (reports to *Office of VP for Human Resources*)
2. Staff of Office of Legal and Employment Affairs (reports to *Office of General Counsel*)
3. Staff of Payroll and Benefits (reports to *Asst. VP Finance and Controller*)
4. Director, Employee Assistance Program (reports to *Sr. VP Administration and Treasurer*)
5. Officers of Unions (AAUP, AFSCME, OPEIU, FOP, SOA, SOLEA)
6. Women's Committee
7. President's Cabinet
8. Open Forum on September 17, 2003 (Audience of approximately 25 persons, many of whom had also participated in designated group meetings that day)
9. Open Forum on September 26, 2003 (Audience of approximately 45 persons, principally nonaligned staff who had not participated in any designated group meetings)

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THE NATURE AND METHOD OF THE STUDY [CONCLUDED]

Data Collection

In order to acquire a general orientation to the institution, to its history, and to its policies relating to employment, the consultant read the following documents:

- Current organization charts;
- A broad range of separate statements of policy with significantly differing dates of origin;
- *Reports from the President* for 2001-2002 and 2002-2003; and
- The current collective bargaining agreements for all represented employees with the exception of the Security Lieutenants who are still in negotiations with NJIT.

However, the principal data used to develop the findings and recommendations were the opinions of varied segments of NJIT staff regarding their experiences with Human Resources functions within the university.

The participants providing information were organized into nine groups identified earlier, each of which met with the consultant for approximately one and three-quarter hours.

'At the start of each meeting, a University Officer introduced the consultant, explained once more the purpose of the study, and then left so that discussions by participants and consultant would be private.

The role of the consultant was that of "listener" to collect information regarding the experiences and opinions of the participants with NJIT Human Resources programs and services. The participants were asked to share both satisfying experiences and positive opinions as well as unpleasant experiences and negative opinions. The consultant only asked clarifying questions or provided "feedback" of what was expressed in order to assure accurate understanding of the participant's message. The consultant made no presentation.

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PRINCIPAL FINDINGS

1. The programs and services of the Human Resources function are undesirably fragmented by assignment of its varied roles to four different administrative units.
2. The fragmentation dilutes accountability for delivering Human Resources management services to the institution.
3. Effectively, NJIT lacks a coherent, integrated philosophy for applying the body of knowledge known as Human Resources Management to its institutional management needs.
4. With the represented employees constituting approximately 85% of the staff of the institution, and with the Human Resources policies for those employees largely codified in collective bargaining agreements negotiated and administered through the Office of General Counsel, that Office dominates the Human Resources management role at NJIT.
5. Because of the fragmentation of the function, the nonaligned staff — the remaining 15% of the entire NJIT organization — receives very few Human Resources services.

During the course of the study, as the consultant increasingly gained knowledge of the institution, the following conclusion was reached that also found voice in opinions expressed by participants:

NJIT has experienced exceptional development of its academic programs and physical facilities over the past quarter century. Such growth inevitably tends to run ahead of the full administrative infrastructure necessary for the management of a rapidly evolving, complex enterprise. Because of competing priorities to provide administrative support, the institutional growth pattern likely contributed to the presently fragmented character of Human Resources.

The evidence is strong that NJIT wishes and seeks to re-establish a Human Resources function that will be regarded with the same distinction as its academic reputation.

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RECOMMENDATIONS

Respectfully, the consultant offers the following recommendations for the structure of the Human Resources function at New Jersey Institute of Technology:

1. The Human Resources Management functions that: (a) are currently assigned within the Office of General Counsel (Employment Affairs and Labor Relations); (b) report to the Assistant VP Finance and Controller (Payroll and Benefits); and (c) report to the Senior VP Administration and Treasurer (Employee Assistance Program) should all be transferred and consolidated within a single function led by the Vice President for Human Resources who reports to the President.
2. The staff of the consolidated function should all be located within a single, common location — ideally physically distant from the Office of General Counsel.
3. A "Statement of Accountability" should be written for the position of Vice President for Human Resources that identifies each major category of service for which the position will be held accountable, together with a description of the outcomes that will be expected as a result of programs in each category.

As an example of one category, the position should be accountable for proposing and establishing policies and procedures for both internal and external recruitment (EMPLOYMENT) for vacant and newly established positions. Such policies and procedures will, in a timely manner, produce qualified candidates. (THE EXPECTED OUTCOME)

4. Redefine the relationship of the Office of General Counsel with regard to all programs and services offered by the Vice President for Human Resources to that of providing "advice and counsel" only. The Office of General Counsel should no longer directly manage or administer Human Resources programs.

After consolidation of all human resources management resources, and after the preparation of the "Statement of Accountability" for the Vice President — which constitutes the "new charter" for the Human Resources function— the job content for each position in the organization should be restated in new job descriptions.