Higher Education Staff: Bearing the Brunt of Cost Containment

by Linda K. Johnsrud

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Colleges and universities spent much of the 1990s responding to calls to control costs and to increase productivity and efficiency. Most proposed strategies—from waste reduction to restructuring to retrenchment—were designed to protect the academic core. Administrators saw support personnel—employees whose work supports the academic mission of the institution—as more inviting targets.

Support personnel—60 percent of all college and university employees in 1995—bore the brunt of most cost containment efforts.[1] A 1997 NEA study of higher education staff, not surprisingly, revealed concern among respondents about outsourcing (48 percent), layoffs from downsizing (46 percent), increased performance expectations (38 percent), and job changes unaccompanied by higher wages (57 percent).[2]

This chapter compares 1993 and 1995 data on higher education support personnel and describes numerical, demographic, and salary trends. The chapter then discusses outsourcing—a key cost containment strategy—and its impact on support personnel working on college campuses.

Categories of Support Personnel

The National Center for Education Statistics provides data on eight classes of higher education personnel:[3]

Executive/administrative/managerial.
Faculty (instruction and research).
Instruction and research assistants.
Technical/paraprofessional.
Other professionals (support/service).
Clerical/secretarial.
Skilled crafts.
Service/maintenance.

Our discussion focuses on the five groups of support personnel and excludes executives, faculty, and instruction and research assistants. We include "other professionals (support/service)," though their salaries and status differ from other support groups. These mid- and entry-level managers often have more responsibility than members of other support personnel groups, but they rarely have the authority of the executives or the faculty.[4] Their work lives and concerns—including threats of downsizing and outsourcing—are more analogous to support personnel.

U.S. Department of Education data from 1995 reveal substantial differences in the percentage distribution of support personnel by occupation in four-year and two-year postsecondary institutions (Figures 1 and 2). The support/service and clerical/secretarial groups were the two most heavily represented groups in four-year institutions—35 percent and 31 percent, respectively. Service/maintenance, technical/paraprofessional, and skilled crafts followed at 16 percent, 13 percent, and 6 percent, respectively.

Two-year colleges reported a reversed order among the top two groups: clerical/secretarial staff-39 percent; support/service professionals-24 percent. The technical/paraprofessional, service/maintenance, and skilled crafts groups followed at 19 percent, 16 percent, and 3 percent, respectively.

FIGURE 1
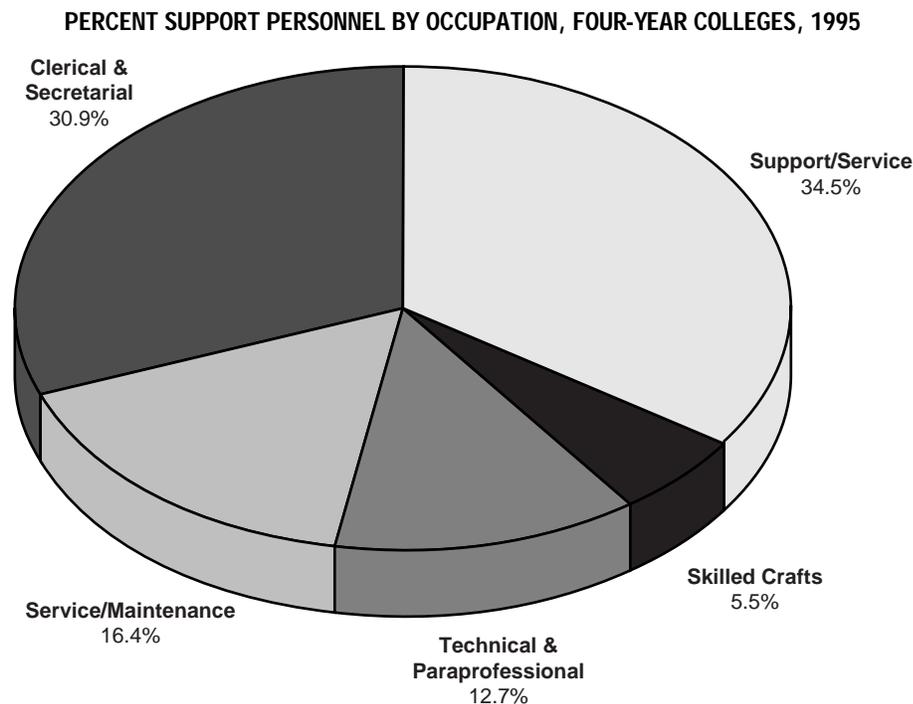
PERCENT SUPPORT PERSONNEL BY OCCUPATION, FOUR-YEAR COLLEGES, 1995

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

COMPARATIVE DATA

Occupational Group

The total support personnel staff employed in higher education increased from 1,298,442 to 1,367,015 (5.3 percent) between 1987 and 1995.[5] Figure 3 shows the number of support personnel by occupational group for 1987, 1991, 1993, and 1995. Support/service professionals showed the greatest percentage increase among support personnel over the period: 12.8 percent. The size of the technical/paraprofessional group increased by 37.8 percent between 1987 and 1991, before falling by 18.5 percent between 1991 and 1995; the overall increase was 12.3 percent. Similarly, the size of the skilled craft group increased by 9.9 percent between 1987 and 1991 before declining by 3.0 percent between 1991 and 1995. The service/maintenance group also showed a 1.5 percent increase between 1987 and 1991, but declined by 5.4 percent between 1987 and 1995.

FIGURE 2
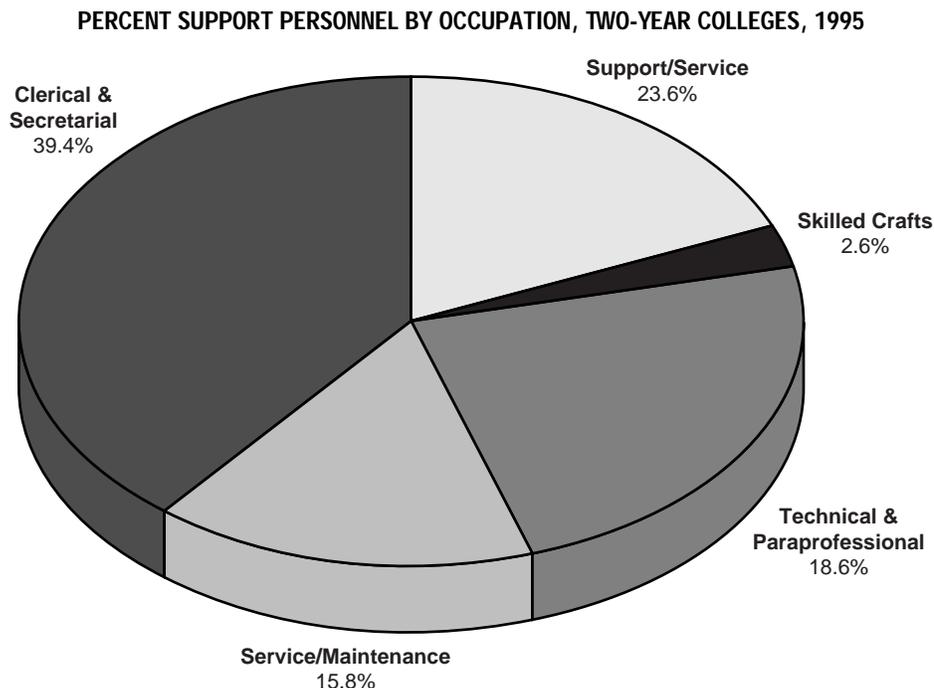
PERCENT SUPPORT PERSONNEL BY OCCUPATION, TWO-YEAR COLLEGES, 1995

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

In contrast, the clerical and secretarial group decreased in size by 5.2 percent between 1987 and 1991, before increasing by 6.9 percent between 1991 and 1995, an overall 1.3 percent increase.

The use of part-timers increased in every group of support personnel between 1993 and 1995 (Figure 4). Technical/paraprofessional workers showed the greatest increases (12.4 percent); followed by support/service and clerical/secretarial staff—7.7 percent and 7.2 percent, respectively. Skilled crafts and service/maintenance workers showed the smallest increases in part-time personnel: 5.4 percent and 0.03 percent, respectively.

BY SEX

Representation by sex across the five groups of support personnel remained constant between 1993 and 1995—37 percent men and 63 percent women—and representation by sex within the groups varied in expected patterns (Figure 5). Women vastly outnumbered men among clerical/secretarial workers (88 percent vs. 12 percent); skilled trades showed the reverse pattern (94 percent vs. 6 percent). The technical/paraprofessional and support/service groups reported 60-40 percent proportions, favoring women; service/maintenance workers showed a 60-40 percent ratio favoring men.

Table 1 shows the percent change in representation by sex within occupational groups between 1993 and 1995. Men increased their presence in the clerical/secretarial group by 7.5 percent; women showed a 0.2 percent decrease. A similar move toward gender parity did not appear in the skilled trades—male representation increased by 1.0 percent; women's presence decreased by 1.8 percent. Increases in men's employment in the technical/professional group exceeded gains by women (4.8 percent vs. 1.1 percent). The same pattern held in support services (5.4 percent vs. 6.3 percent). Representation of men and women in the service/maintenance group decreased by 2.6 percent and 2.3 percent, respectively.

FIGURE 3

SUPPORT PERSONNEL BY YEAR, 1987, 1991, 1993, 1995
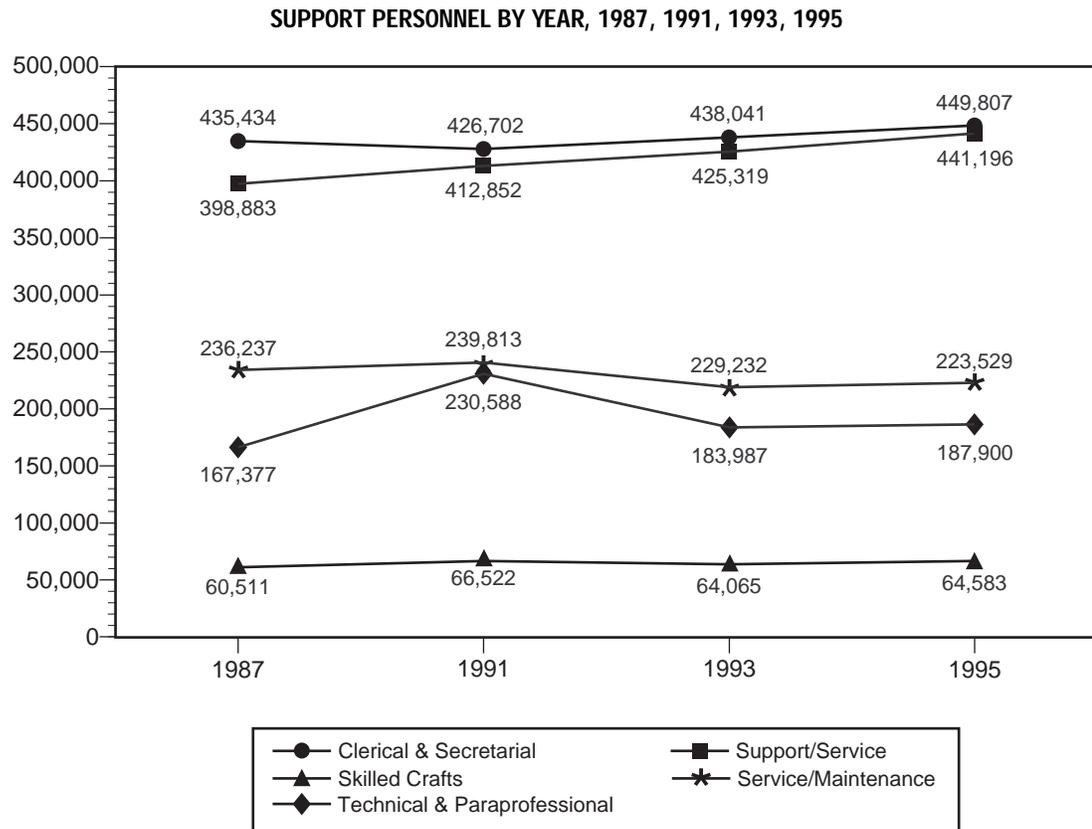
SOURCE: National Center for Education Statistics, "Higher Education General Information Survey (HEGIS), "Fall Staff" survey, 1976; U.S. Equal Employment Opportunity Commission "EEO-6 Higher Education Staff Information" survey, 1987-91; U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" surveys, 1993, and 1995.

BY RACE AND ETHNICITY

Representation of support personnel by race and ethnicity changed little between 1993 and 1995. The proportion of white staff members declined from 75 to 74 percent; the proportion of Hispanics increased from 5 to 6 percent. In 1995, 16 percent of support staff members were Black, 3 percent Asian/Pacific Islander, and 1 percent Native American (Figure 6).

Representation of racial and ethnic groups varied considerably between occupational groups in 1995 (Table 2). The proportion of white staff ranged from 82.2 percent (support/service) to 58.7 percent (service/maintenance). Conversely, the proportion of Black staff varied from 29.1 percent (service/maintenance) to

15.6 percent (clerical/secretarial), 14.8 percent (technical/paraprofessional), and 9.1 percent (support/service). The representation of Hispanics closely paralleled the pattern for Black staff, ranging from 9.0 percent (service/maintenance) to 6.4 percent (clerical/secretarial), 5.5 percent (skilled crafts), and 3.4 percent (support/service).

Representation of Asian/Pacific Islanders ranged from 4.8 percent and 4.7 percent (technical/paraprofessional and support/service, respectively) to 1.2 percent (skilled crafts). The highest representations of Native Americans were 0.9 percent (skilled crafts) and 0.8 percent (service/maintenance).

Table 3 presents the numbers of support personnel by occupation and by racial and

FIGURE 4
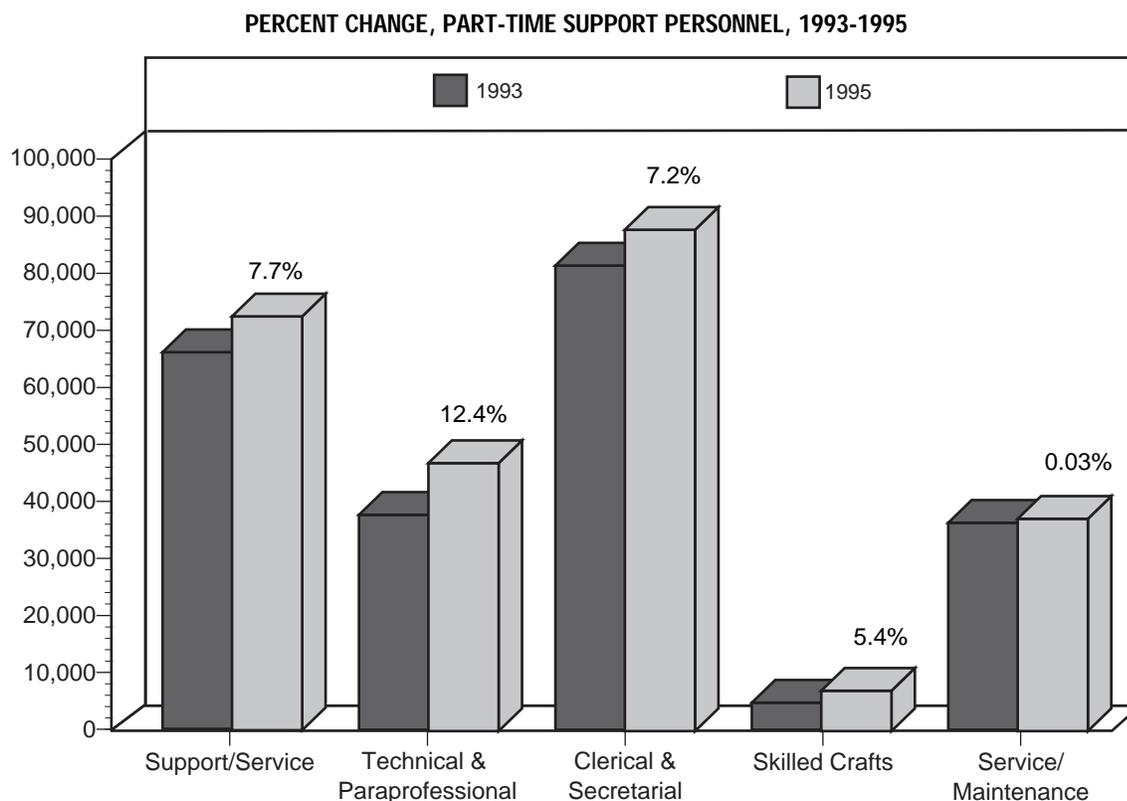
PERCENT CHANGE, PART-TIME SUPPORT PERSONNEL, 1993-1995

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System
(IPEDS), "Fall Staff" surveys, 1993, and 1995.

ethnic group for 1993 and 1995. Hispanics increased their representation in support/service (13.7 percent), technical/paraprofessional (13.5 percent), and clerical/secretarial jobs (10.5 percent). Representation of Native Americans increased in skilled crafts (17.5 percent), technical/paraprofessional (10.3 percent), and clerical/secretarial positions (8.5 percent), but declined in service/maintenance (-3.4 percent). Blacks lost ground in service/maintenance (-7.0 percent) and in technical/paraprofessional jobs (-1.6 percent), but gained in the support/service (4.5 percent), skilled crafts (3.1 percent), and clerical/secretarial (0.3 percent) groups.

The proportion of Asian/Pacific Islanders increased in every occupation, including support services (14.1 percent), service/maintenance (7.2 percent), and technical/paraprofessional (6.0 percent). Representation of white

staff decreased in service/maintenance (-1.8 percent), skilled crafts (-0.1 percent), and clerical/secretarial (-0.7 percent) positions, but increased in the support/service (4.3 percent) and in technical/paraprofessional (1.5 percent) groups.

BY MEDIAN SALARY

Figure 7 portrays the median salaries of the support personnel by occupation and sex in 1995. Median salaries ranged from $17,559 for women and $20,645 for men in service/maintenance jobs to $33,213 and $35,854 for women and men, respectively, in support/service positions.

Men earned more in every group except clerical/secretarial positions, where median salaries were $21,230 for women and $21,126 for men.

FIGURE 5
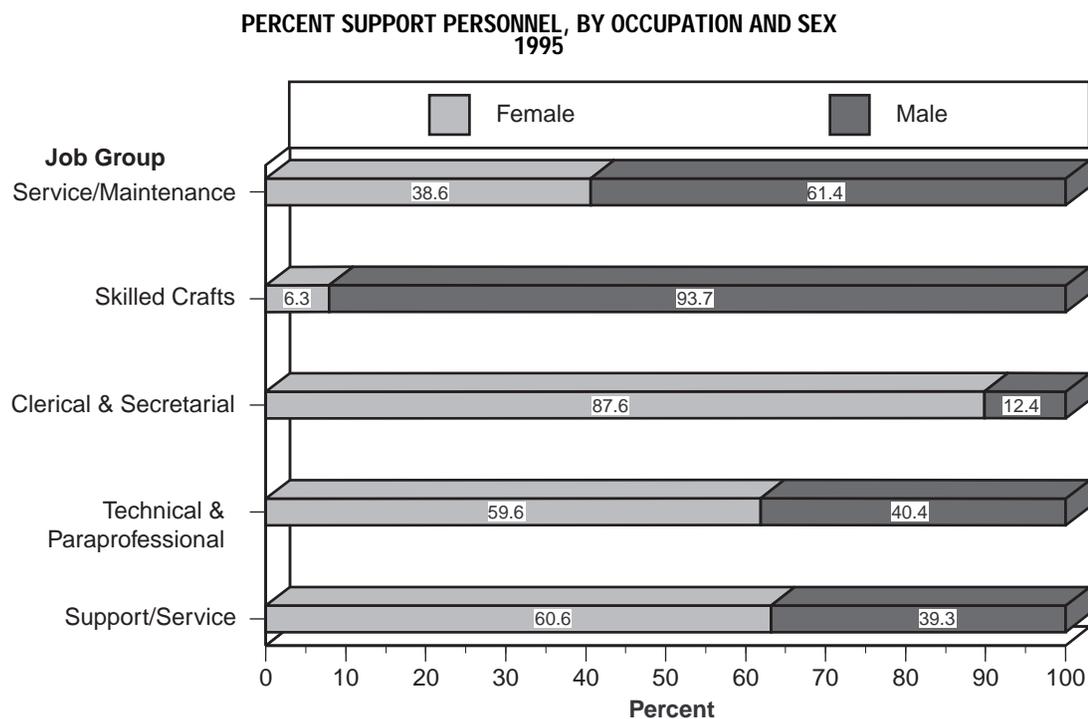
PERCENT SUPPORT PERSONNEL, BY OCCUPATION AND SEX
1995

	Female	Male

Job Group

Job Group	Female	Male
Service/Maintenance	38.6	61.4
Skilled Crafts	6.3	93.7
Clerical & Secretarial	87.6	12.4
Technical & Paraprofessional	59.6	40.4
Support/Service	60.6	39.3

Percent (0 10 20 30 40 50 60 70 80 90 100)

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

TABLE 1

PERCENT CHANGE IN NUMBERS OF SUPPORT PERSONNEL BY OCCUPATION AND SEX,
1993–1995

| Occupation and Sex	1993	1995	Percent Change
Service/Maintenance	229,232	223,529	-2.5%
Female	88,168	86,183	-2.3%
Male	141,064	137,346	-2.6%
Skilled Crafts	64,065	64,583	0.8%
Female	4,164	4,089	-1.8%
Male	59,901	60,494	1.0%
Clerical and Secretarial	438,041	441,196	0.7%
Female	387,143	386,490	-0.2%
Male	50,898	54,706	-7.5%

TABLE 1

PERCENT CHANGE IN NUMBERS OF SUPPORT PERSONNEL BY OCCUPATION AND SEX, 1993–1995 (CONTINUED)

Occupation and Sex	1993	1995	Percent Change
Technical and Paraprofessional	183,987	187,900	2.1%
Female	110,746	111,904	1.1%
Male	73,241	75,996	4.8%
Support/Service	425,319	449,807	5.8%
Female	258,641	272,655	5.4%
Male	166,678	177,152	6.3%

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" surveys 1993 and 1995.

FIGURE 6

PERCENT DISTRIBUTION, SUPPORT PERSONNEL BY RACE/ETHNICITY
1995
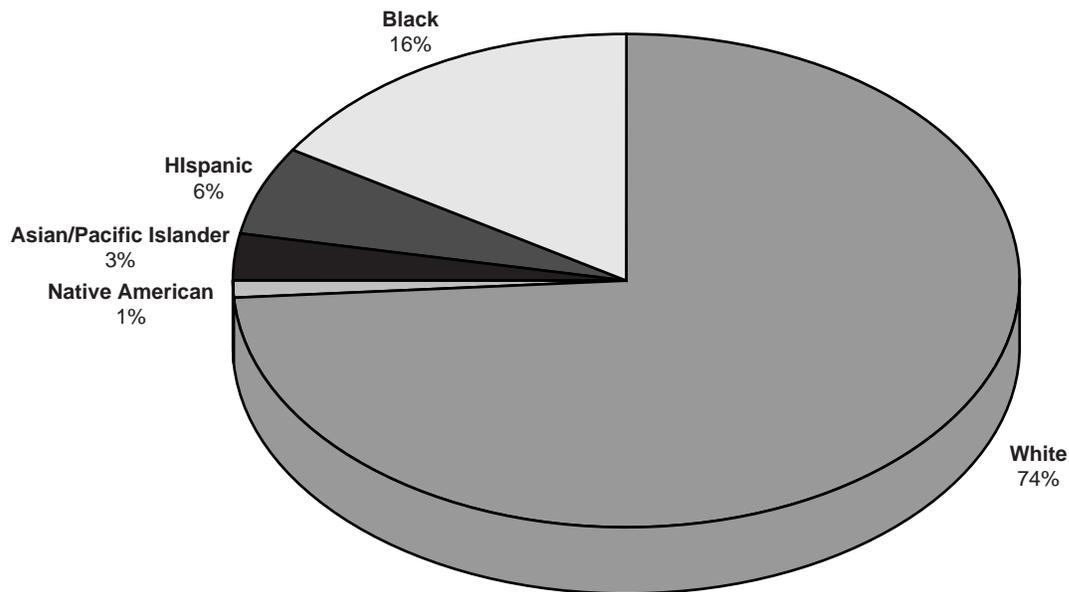
Black 16%

HIspanic 6%

Asian/Pacific Islander 3%

Native American 1%

White 74%

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

TABLE 2

NUMBERS AND PERCENT SUPPORT PERSONNEL, BY OCCUPATION AND RACE/ETHNICITY
1995

	Support/ Service	Technical & Paraprofessional	Clerical & Secretarial	Skilled Crafts	Service/ Maintenance
White	356,706	136,976	325,112	51,958	129,139
Black	39,767	27,249	67,736	7,186	64,254
Hispanic	14,568	10,089	27,675	3,647	19,766
Asian/Pacific Islander	20,537	8,219	12,345	778	5,250
Native American	2,162	1,173	2,713	585	1,666

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

Each group of support personnel enjoyed an increase in median salary between 1993 and 1995 (Table 4). The increases ranged from 7.1 percent (support/service) to 5.0 percent (skilled crafts). Percentage increases in median salary were higher for women in three groups: skilled crafts (6.0 percent vs. 4.7 percent), clerical/secretarial (5.7 percent vs. 3.7 percent), and technical/paraprofessional (5.7 percent vs. 5.1 percent). Men showed greater increases in service/maintenance jobs (7.0 percent vs. 6.0 percent); the difference was negligible in support services (5.3 percent vs. 5.2 percent).

Asian/Pacific Islanders earned the highest median salaries in each support personnel group in 1995 (Table 5). Blacks earned the lowest median salaries in three groups: skilled crafts, service/maintenance, and technical/paraprofessional. Native Americans earned the lowest median salaries in the support/service and the clerical/secretarial groups.

Table 6 displays percentage change in median salaries, by ethnicity, between 1993 and 1995. Native Americans showed the two greatest changes—10.2 percent (support/service) and 9.2 percent (service/maintenance)—but Native Americans remained the lowest paid ethnic group in 1995. Asian/Pacific Islanders received the next highest increase—7.9 percent (skilled crafts), and the smallest increase—0.1 percent (clerical/secretarial).

REDUCTIONS IN SUPPORT PERSONNEL

Efforts to reduce the size of the workforce had a differential impact on the five groups of higher education support personnel since 1991. The size of three support personnel groups declined between 1991 and 1995: technical/paraprofessional (18.5 percent); skilled crafts (3.0 percent); and service/maintenance (6.8 percent). Only support/service professionals and clerical/secretarial showed increases: 5.4 percent and 6.9 percent, respectively. The faculty and executive groups increased by 13 percent and 1.9 percent, respectively.[6]

Explaining how or why reductions took place requires close scrutiny of each group. Greater use of technology and the need for technically trained personnel helps to explain the 1987-1991 increase in the technical/paraprofessional group, but the ensuing decrease is not easily explained. The clerical/secretarial group showed the opposite pattern: The 1991-1995 increase followed a 5.2 percent decrease between 1987 and 1991. Increased use of technology in offices changed the skills required of secretaries—enough, in many cases, to change the job title. Use of the title "secretary," Professional Secretaries International (PSI) reported, declined from 46 percent to 31 percent of its membership between 1979 and 1993.[7] Again, this shift explains the 1987-1991 decrease, but not the 1991-1995 increase.

TABLE 3

PERCENT CHANGE IN NUMBER OF SUPPORT PERSONNEL, BY OCCUPATION AND RACE/ETHNICITY, 1993–1995

| Occupation and Race/Ethnicity*	1993	1995	Percent Change
Service/Maintenance	229,232	223,529	-2.5
Asian/Pacific Islander	4,898	5,250	7.2
Black	69,058	64,254	-7.0
Hispanic	19,524	19,766	1.2
Native American	1,724	1,666	-3.4
White	131,565	129,139	-1.8
Skilled Crafts	64,065	64,583	0.8
Asian/Pacific Islander	735	778	5.9
Black	6,970	7,186	3.1
Hispanic	3,440	3,647	6.0
Native American	498	585	17.5
White	52,008	51,958	-0.1
Clerical & Secretarial	438,041	441,196	0.7
Asian/Pacific Islander	11,923	12,345	3.5
Black	67,516	67,736	0.3
Hispanic	25,050	27,675	10.5
Native American	2,501	2,713	8.5
White	327,483	325,112	-0.7
Technical and Paraprofessional	183,987	187,900	2.1
Asian/Pacific Islander	7,757	8,219	6.0
Black	27,684	27,249	-1.6
Hispanic	8,891	10,089	13.5
Native American	1,063	1,173	10.3
White	135,003	136,976	1.5
Support/Service	425,319	449,807	5.8
Asian/Pacific Islander	18,002	20,537	14.1
Black	38,049	39,767	4.5
Hispanic	12,813	14,568	13.7
Native American	2,000	2,162	8.1
White	341,919	356,706	4.3

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" surveys, 1993 and1995.

*Although not displayed here, category totals also include nonresident alien and race/ethnicity unknown.

Examining the percentage distribution of new hires helps us understand the place of support personnel in staffing priorities. The number of newly hired support/service and executive/administrative staff increased by 4 percent and 3 percent, respectively, between 1977 and 1995.[8] But the number of new hires decreased dramatically for service/maintenance, skilled crafts, clerical/secretarial and technical/paraprofessional staff: by 35 percent, 57 percent, 52 percent, 54 percent, and 30 percent, respectively.

FIGURE 7
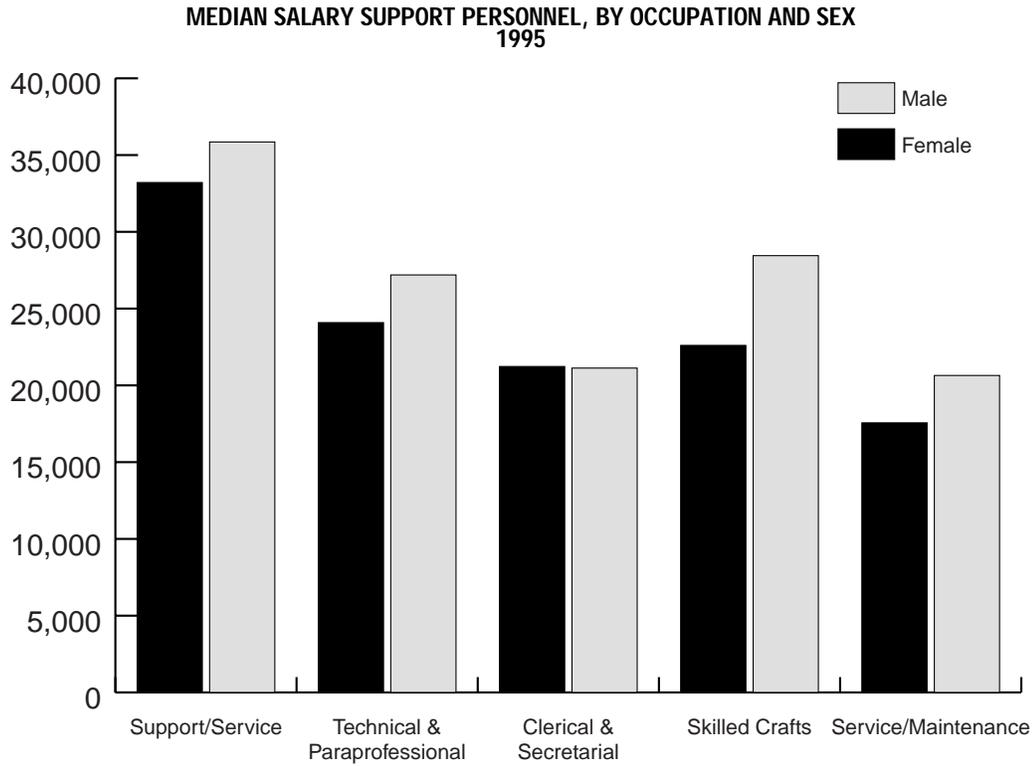
MEDIAN SALARY SUPPORT PERSONNEL, BY OCCUPATION AND SEX
1995

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

TABLE 4

PERCENT CHANGE IN MEDIAN SALARY OF SUPPORT PERSONNEL,
BY OCCUPATION AND SEX, 1993-1995

Occupation and Sex	1993	1995	Percent Change
Service/Maintenance	18,178	19,467	7.0%
Female	16,571	17,559	6.0
Male	19,294	20,645	7.0
Skilled Crafts	26,880	28,206	5.0
Female	21,316	22,603	6.0
Male	27,211	28,499	4.7

TABLE 4

PERCENT CHANGE IN MEDIAN SALARY OF SUPPORT PERSONNEL, BY OCCUPATION AND SEX, 1993-1995 (CONTINUED)

Occupation and Sex	1993	1995	Percent Change
Clerical and Secretarial	20,108	21,221	5.5
Female	20,082	21,230	5.7
Male	20,380	21,126	3.7
Technical and Paraprofessional	23,893	25,204	5.5
Female	22,794	24,088	5.7
Male	25,882	27,193	5.1
Support/Service	32,517	34,854	7.1
Female	31,558	33,213	5.2
Male	34,064	35,854	5.3

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" surveys 1993 and 1995.

TABLE 5

MEDIAN SALARY SUPPORT PERSONNEL BY OCCUPATION AND RACE/ETHNICITY 1995

	Support/ Service	Technical & Paraprofessional	Clerical & Secretarial	Skilled Crafts	Service/ Maintenance
White	35,037	26,201	21,319	25,913	19,914
Black	32,722	23,504	20,582	23,108	17,317
Hispanic	33,214	24,124	20,526	24,292	19,047
Asian/Pacific Islander	35,460	26,262	23,105	28,889	21,282
Native American	31,253	24,156	20,302	26,734	18,610

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" survey, 1995.

Declines in support staff numbers and in new hires resulted from strategies adopted to reduce personnel costs. Colleges and universities opted for the least painful cuts—leaving vacancies unfilled and encouraging early retirements—when facing budget shortfalls. But retrenchment by attrition and other short-term remedies may leave vital areas under-staffed. Strategic planning, in contrast, focused on "outsourcing" that targeted support personnel.

OUTSOURCING SERVICES

Outsourcing occurs when a college contracts with an outside vendor to provide a service.[9] Colleges frequently outsourced book-store and food services, but, during the last decade, the strategy spread to other support services, including health centers, custodial and maintenance services, grounds care, mail delivery, printing, security and safety, fund-raising, facilities and arena management, housing operations, purchasing, communica-

TABLE 6

PERCENT CHANGE IN MEDIAN SALARY OF SUPPORT PERSONNEL, BY OCCUPATION AND RACE/ETHNICITY, 1993–1995

Occupation and Race/Ethnicity*	1993	1995	Percent Change
Service/Maintenance	18,178	19,467	7.0
Asian/Pacific Islander	20,212	21,282	5.3
Black	16,344	17,317	6.0
Hispanic	17,890	19,047	6.5
Native American	17,038	18,610	9.2
White	18,699	19,914	6.5
Skilled Crafts	26,880	28,206	5.0
Asian/Pacific Islander	26,777	28,889	7.9
Black	22,409	23,108	3.1
Hispanic	23,494	24,292	3.4
Native American	25,234	26,734	5.9
White	24,515	25,913	5.7
Clerical and Secretarial	20,108	21,221	5.5
Asian/Pacific Islander	23,087	23,105	0.1
Black	19,697	20,582	4.5
Hispanic	20,441	20,526	0.4
Native American	19,280	20,302	5.3
White	20,239	21,319	5.3
Technical and Paraprofessional	23,893	25,204	5.5
Asian/Pacific Islander	25,706	26,262	2.2
Black	22,076	23,504	6.5
Hispanic	23,473	24,124	2.8
Native American	23,003	24,156	5.0
White	24,859	26,201	5.4
Support/Service	32,517	34,854	7.1
Asian/Pacific Islander	34,754	35,460	2.0
Black	31,232	32,722	4.8
Hispanic	31,694	33,214	4.8
Native American	28,361	31,253	10.2
White	33,212	35,037	5.5

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Data System (IPEDS), "Fall Staff" surveys, 1993 and 1995.

*Although not displayed here, category totals also include nonresident alien and race/ethnicity unknown.

tions services, business services including accounting, billing, and payables, parking, and computing (IT/IS, administrative and academic).[10] Colleges, one consultant speculated, could hire private companies to perform up to 40 percent of support services.[11] Some colleges even contemplated the outsourcing of psychological services,[12] library technical services,[13] remedial instruction,[14] and real estate management.[15]

Outsourcing: Case Studies

Some notorious cases led analysts to study outsourcing practices at single institutions, since no national data set described the extent of the practice, the numbers of personnel who lost jobs, or the amounts of money saved. Outsourcing, many studies concluded, had substantial impact on the employees involved and often had a negative impact on campus morale.[16] In 1994 Hudson Valley Community College hired private companies to clean buildings, maintain payroll, and provide security.[17] The action, displacing 75 workers, resulted in pickets, petitions, and union grievances. The same year, Tufts negotiated with the union representing its custodians to contract out its cleaning work.[18] An agreement was reached, but a change of vendor in 1997 resulted in pay cuts for 71 employees. Again, professors, students, and community leaders supported the custodians.

Beginning in 1995, the University of Pennsylvania administration systematically determined whether the private sector could perform each business function more successfully. The review, now half-completed, reduced Penn's staff of 25,000 workers by 500 positions, mostly through outsourcing, thereby saving $60 million.[19] But the decision to contract with a real estate management firm led 175 affected white collar workers to file a class action suit, alleging that Penn outsourced its real estate operations to avoid paying benefits.[20]

Some analysts examined administrator and staff concerns when deciding to outsource work. Several researchers interviewed and surveyed dining service managers and hourly employees at the University of Texas at San Antonio, the University of Chicago, and Georgia Institute of Technology.[21] These participants—former university employees hired by the national company whose services were contracted—indicated they feared and resisted the notion of contracting prior to the change. But most fears, the respondents agreed, were unfounded. Benefits, participants noted, included improved physical working conditions, greater professionalism resulting from provided training, and higher quality service. Negative comments included a less relaxed work atmosphere, less overtime, and the need to adjust work schedules to the availability of work or to accept a layoff.

These findings did not address the impact on workers, if any, who lost their jobs when work was outsourced. Future retrenchment may occur even when a contractor initially hires former university employees.[22]

Collective Bargaining Contracts

Union membership and contract provisions may determine whether work may be outsourced, and worker protections when outsourcing occurs. The *NEA 1998 Almanac* surveyed the rates of union representation for professional/technical, clerical, and blue collar staff, analyzed the demographics of the unionized staff, and examined clauses in collective bargaining agreements that addressed outsourcing or subcontracting.[23]

Slightly over half of 149 examined contracts contained provisions on subcontracting.[24] These provisions gave managers considerable discretion to de-invest in support staff by subcontracting work. Half the provisions addressed layoffs caused by subcontracting; some prohibited such layoffs; others regulated the process. The study also noted some provisions for professional development and training for employees facing changing job requirements or layoffs. But most contracts allowed the administration to minimize these investments.[25]

Management Rationales for Outsourcing

Colleges look to outsourcing to contain costs and to reallocate savings to core functions. But savings from outsourcing are not automatic, and the amount of savings must be carefully calculated. Nonfinancial factors may help to explain a specific decision to outsource. Two nonmonetary factors, a scholar found, weighed heavily in a decision to privatize a university print shop: desires to "eradicate a difficult personnel and management problem," and to respond to a mandate from the governing board to use outsourcing strategically. Outsourcing the print shop produced only modest savings; and no resource reallocation took place—the savings went to the general fund. But the administration ridded itself of a personnel problem and demonstrated its willingness to comply with the governing board's wishes.[26]

Managing the expense of technological change in higher education is a perennial issue. But nonmonetary factors may prompt a

decision to outsource technological services: the demand for more and better services, the rapid pace of change, the lack of in-house expertise to evaluate, implement, and manage new technologies, and the large amount of management time and energy needed to maintain adequate service.[27] Outsourcing, one overview noted, may also help a college to avoid the costs of new equipment and technology, bring in new levels of expertise and business savvy, give current staff access to higher-level skills and training, gain control over the quality and efficiency of a function, take advantage of economies of scale enjoyed by vendors, and introduce competition to the campus.[28]

COSTS OF OUTSOURCING

Some constituencies might hotly debate the value of several of these "benefits." But even if all groups agreed on the benefits of outsourcing, colleges still face human costs—especially loss of jobs and jeopardy to the welfare of employees who served the institution. Layoffs may affect remaining colleagues as well as staff facing unemployment. Morale and productivity may suffer, and ill-will may persist indefinitely if outsourcing results in grievances and lawsuits.[29]

Other costs must also be weighed. Two analysts, for example, listed the potential costs if Brookdale Community College outsourced its information technology services. The vendor's interest in profitability may affect the quality and level of provided services, absent specificity in the contract; the service may not be responsive to institutional objectives, and outsourcing may involve hidden costs. Outsourcing may also produce a result difficult to measure or quantify: a compromised campus identity and sense of community.[30] Even colleges that contract out the design of their World Wide Web sites must determine how much freedom to give to the professional site designers and how to ensure the site reflects the ethos of the institution.[31]

Several analysts have commented on outsourcing psychological services in small, residential, highly selective, nonsectarian colleges that aim to develop the "whole person." Experience and diversity, clinical specialization and approach, and appreciation of the academic environment, these analysts contend, made on-campus staffs far preferable to off-campus services. Psychological services, they observed, are so integral to these campuses that "outsourced psychological services" is an oxymoron.[32]

The University of Pennsylvania administration outsourced its facilities-maintenance department, bookstore, faculty club staff, management of the campus dining facilities, construction-audit department, benefits administration, and tax preparation and advising. But even Penn was selective: The university did not farm out its information systems or the construction and management of its student residences. Both functions, noted a vice president, were considered "too important to Penn."[33]

Decisions To Outsource

Administrative and governing board decisions to outsource deserve careful scrutiny. A straightforward decision for business may be more complicated on campus.[34] One sign of complexity: the growing literature on "how to do it" and "how not to do it." Here is one list of guidelines for mitigating the negative repercussions of outsourcing:

- Outsource management personnel only.

- Downsize by attrition.

- Involve employees in vendor selection.

- Set clear contract terms and limits.

- Re-bid the contract often.[35]

Some instances of outsourcing may be well-managed and attain a campus consensus. A taskforce informed the decision to privatize graduate student apartments at the University of Maryland at College Park. The group conducted six months of meetings and briefings with faculty and students before making the decision.[36] Explaining the rationale and benefits of privatization and seeking broad campus input, though time-consuming for the developer, built trust invaluable to the success of the venture. But most decisions to outsource usually entail a negative impact on some support personnel, even in well-managed instances.

OUTSOURCING: NEA POLICY

Nearly 50 national unions represent higher education support staff.[37] The

American Federation of State, County and Municipal Employees (AFSCME) represents the largest number (over 160,000); seven other unions, including NEA, represent over 10,000 each. Most unions, including NEA, oppose outsourcing:

> The National Education Association opposes subcontracting-contracting out in all public school districts and educational institutions. The Association further believes that school districts and educational institutions should not enter into subcontracting agreements that transfer or displace education employees, that replace full-time positions with temporary, part-time, or volunteer workers, or that abrogate previously contracted benefits, reduce compensation, deny fringe benefits, and/or reduce or eliminate accumulated retirement experience and benefits.[38]

Contract language is key to protecting employees from management efforts to outsource. But many employees, noted the 1997 NEA study of higher education staff, did not know or understand all relevant provisions.[39] About one-third of respondents did not know whether "just cause" provisions—protecting workers from arbitrary or unfair dismissals and from involuntary work site transfers, or delineating layoff and recall procedures—covered employees in their classification. Over one-half of the respondents did not know whether any of the nine companies that frequently provided outsourced services held contracts on their campuses.

This chapter may help to raise the awareness of support staff to their contractual rights and to the potential impact of outsourcing decisions. *Contracting Out: Strategies for Fighting Back*, an NEA guide, aims to help employees faced with job outsourcing. The guide focuses on school employees, but many strategies are relevant to higher education.[40]

STRATEGIES TO COUNTER OUTSOURCING

Workers may resist efforts to contract out, the NEA guide suggests, through proactive moves to assure cost effectiveness and increase productivity. Non-cost-effective operations, writes one analyst, are ripe for outsourcing.[41]

Colleges should scrutinize *all* programs and services—no matter how central or how high a priority, writes another analyst.[42] Campus-wide efforts to reduce waste and increase efficiency require leadership and communication within units and from the highest levels of the institution.

Cost containment and revenue enhancement strategies, short of outsourcing, may come at a lower price. Metropolitan universities, for example, can partner with other colleges or build alliances with school districts or other agencies.[43] Other options include centralizing or decentralizing functions and services; changing levels of service; regulating the demand for services through pricing; and using technology strategically. Small colleges may also reduce specialization, find multiple uses for physical assets, and undertake joint ventures.[44] Finally, colleges may "contract in"—examine outsourced functions to see if in-house expertise can accomplish the service more efficiently or effectively.

Some colleges raised morale, reduced attrition, and increased the productivity of support staff by addressing worklife issues. The University of Massachusetts-Boston enrollment services division, for example, improved new staff orientation, established a team approach to services, increased the training and information shared for all team members, instituted a career development program, and demonstrated appreciation to staff for jobs well done.[45] Some analysts urged attention to the career development of technical employees to save on the cost of developing managers.[46] A 10-year-old program at Vanderbilt University for staff in the business and finance units resulted in greater productivity and training, and in more staff-generated ideas for growth and efficiency.[47] This "Service with Enthusiasm" program attempted to strengthen employee identification with the university's culture by connecting the work of each staff member to the accomplishments of the institution.

CONCLUSION

Colleges and universities are labor intensive; that is, they depend on hundreds of employees—including support staff—to create a culture and climate conducive to their academic mission. But colleges and universi-

ties are also weak in human resource management; senior administrators could do far more to demonstrate that they value workers who support the academic mission. Well-treated employees are more committed to institutional well-being and will go the extra mile to find ways to cut costs and increase productivity. Colleges and universities that want hard-working, loyal employees must provide competitive salaries and benefits, pleasant and healthy working conditions, recognition for jobs well done, skill development and training—particularly essential if jobs are changing or expanding—and staff involvement in decisions that affect staff.[48]

The size of three of the five groups of support personnel declined in this decade. Administrators should show deep concern for the impact of tough restructuring, retrenchment, or outsourcing decisions on employees who served the institution. Support staff members may not like all decisions, but adverse decisions will be less destructive if staff feel that administrators defended their interests, treated them honestly and fairly, and listened to their views. Campus services should be efficient and effective, but no one segment of higher education staff should bear the brunt of cost containment.

Process remains critical once decisions are made. Communicating with and accommodating affected staff members should be top priorities: salary adjustments, furloughs, reassignments, retraining, increased responsibilities, opportunities to move with the institution or system, career counseling, early retirement, buy-outs, and severance pay can ease an otherwise horrific experience.

Cost containment is vital to the health of higher education. Colleges, and all sub-units, should continually search out redundant, inefficient, out-dated, or peripheral programs and services, and identify less costly ways to deliver needed services. Protecting the academic core does not immunize instructional units from efforts to increase efficiency and productivity.

Support staff provide critical services to the college campus. These colleagues should be hired in good faith, treated with respect and dignity, and protected from personnel practices that disregard their years of committed service and their future well-being.

NOTES

[1] The breakdown for the remaining 40 percent of employees: faculty-35 percent; executive-administrative-managerial staff-five percent. Data source is the 1993 Staff Survey, part of the Integrated Postsecondary Education Data System (IPEDS), an annual survey conducted by the National Center for Education Statistics, U.S. Department of Education (National Education Association, 1997c).

[2] Johnsrud, 1999.

[3] National Center for Education Statistics, 1998.

[4] Johnsrud, 1996.

[5] National Center for Education Statistics, 1998.

[6] Ibid.

[7] Kerka, 1995.

[8] National Education Association, 1998b. Data source is the 1995 Staff Survey, part of the Integrated Postsecondary Education Data System (IPEDS), an annual survey conducted by the National Center for Education Statistics, U.S. Department of Education.

[9] Kaganoff, 1998.

[10] Thompson and Morgovsky, 1996.

[11] Mercer, 1995.

[12] Webb, Widseth, and John, 1997.

[13] Nuzzo, 1999.

[14] Gose, 1998.

[15] Doctrow, Sturtz and Lawrence, 1996.

[16] Ender & Mooney, 1994.

[17] Nicklin, 1994.

[18] Nicklin, 1997.

[19] Van der Werf, 1999.

[20] Haworth, 1997.

[21] Dillon, 1996.

[22] Nicklin, 1997.

[23] Unionization rates for the respective groups were: 15 percent, 37 percent, and 43 percent. National Education Association, 1998a, 109.

[24] Ibid.

[25] Ibid.

[26] Jefferies, 1996.

[27] Thompson & Morgovsky, 1996.

[28] Kaganoff, 1998.

[29] Thompson & Morgovsky, 1996.

[30] Ibid.

[31] Fiore,1997.

[32] Webb, Widseth and John, 1997.

[33] Van der Werf, 1999.

[34] Jefferies, 1996.

[35] Ender & Mooney, 1994.

[36] Doctrow, Sturtz, Lawrence, 1996.

[37] Rhoades & Maitland, 1998.

[38] National Education Association, 1997b.

[39] Johnsrud, 1999.

[40] Contact the Office of Higher Education, National Education Association, 1201 Sixteenth Street, N.W., Washington, DC 20036 for copies of this guide.

[41] Nuzzo, 1999.

[42] Maydew, 1992.

[43] Ender & Mooney, 1994.

[44] Ibid.

[45] Hartnagel, 1986.

[46] Sayer & Stauffer, 1995.

[47] Jenkins & Mezera, 1997.

[48] Johnsrud, 1996.

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