THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION
ITEM FOR INFORMATION

Subject: Benefits

One area of compensation for employees of the University of Michigan is expressed by the terms "benefits." The scope of benefits supplied by the University provides a cornucopia of enticements and support. Cost-wise the most volatile area of benefits involves healthcare. The University has responded to cost increases with vigorous cost-containment measures, effecting a relative reduction in the rate of growth.

Faculty members, chosen by the administration for their expertise in the field, serve on many benefits groups. It is a valuable symbiotic relationship. The University gains the expert insights of recognized authorities in the field and reduces the degree to which it must rely on expertise external to the institution. The experts gain experience in their chosen field and are able to offer their talents in service to the commonweal. The model is good, but it could become better in a manner that supports the interests of all those affected by benefits issues.

Senate Assembly, SACUA, and CESF have proposed that faculty members chosen by the faculty be at the table for every discussion about benefit issues. We have yet to be at the table. No reason has been provided. One might posit that some are concerned that a faculty member with an ax to grind would hinder more than help, that having someone who is not expert in the field would require too much familiarizing before a contribution would be valuable, or that ongoing deliberations would be disclosed prematurely. We recognize these concerns, but would propose that it is in the best interests of the Regents, the administration and the faculty to include faculty members chosen by their peers to be at the table during all stages of deliberations and when decisions are made about benefits.

An important interest that the presence of a faculty presence would add at these stages is **credibility** to the resultant decisions. Difficult decisions must be made that affect every member of our community. When such decisions are announced without involvement of faculty-chosen members, it fosters disaffection. Many surmise that faculty members chosen by the administration are "pushovers" with little influence. Inviting Senate Assembly to provide candidates for inclusion at the table would reduce alienation, essential when we face payroll deductions and restrictions in healthcare coverage. People handle bad news better when they are included in deciding the best and fairest response.

This is the time to do everything possible to increase buy-in to the process and the decisions made when cuts in benefits and increases in deductions are contemplated. Many read first about benefits changes in the newspaper concluding that the University's money is being saved by cost-shifting to the employees. Involving participants chosen by the faculty helps achieve credibility and reduce misunderstanding.

Another interest gained by including such faculty members is their invaluable **perspective**. Faculty participants are interested, intelligent and reflective benefits customers and beneficiaries. Such characteristics and habits enable them to clearly identify opportunities and gaps in benefits' coverage. Even if the faculty member does not have the depth of expertise in the subject matter, she or he will make valuable contributions. A fresh set of eyes, a person who thinks outside of the box having not been trained to "stay within the lines," and one who asks basic questions provide new and valuable responses to these pressing issues.

A final interest served is **communication**. Some consider faculty committee members who communicate deliberations while they underway undermine the effectiveness of the committee. Here's a different perspective: openness and truth are the best antidotes to suspicion and distrust. Faculty-chosen committee members are expected to inform their colleagues. Will unformed ideas, trial balloons, worst-case scenarios, and the ilk be passed on to others? Yes. Does that lessen the control over ideas that are under discussion? Undoubtedly. But it is healthier for the community to be involved in this discussion and to understand better the immensity of the problem facing the University. People facing intractable problems accept the outcome better if they participate in the process. The non-expert is often superior at communicating the issues and responses in language the community understands.

We offer this **solution** to bridge the gap between the desire of faculty government to be at the table and the current lack of that inclusion. Senate Assembly would nominate candidates for every group discussing and deciding benefits issues. The chair of each group would select faculty members from among the nominees. It would be understood that these members would be responsible conduits to and for the University community.

(Submitted March, 2008)

Regents' Bylaw 4.04. The Senate Assembly shall serve as the legislative arm of the senate…The assembly shall have power to consider and advise regarding all matters within the jurisdiction of the University Senate which affect the functioning of the University as an institution of higher learning, which concern its obligations to the state and to the community at large, and which relate to its internal organization insofar as such matters of internal organization involve general questions of educational policy.