

# University of Michigan

## Human Capital Report – 2009

*Special Report – Recruitment and Retention Successes and Challenges*

July, 2009

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# Human Capital Report 2009

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- The annual Human Capital Report originated in 2005 to address an increasing need across the University of Michigan for high-quality human resource decision support data. The report provides a variety of faculty and staff profile and trend information regarding recruitment and retention, retirement projections, demographic profiles and staffing trends.
  - This year's report provides new exhibits with additional campus level detail.

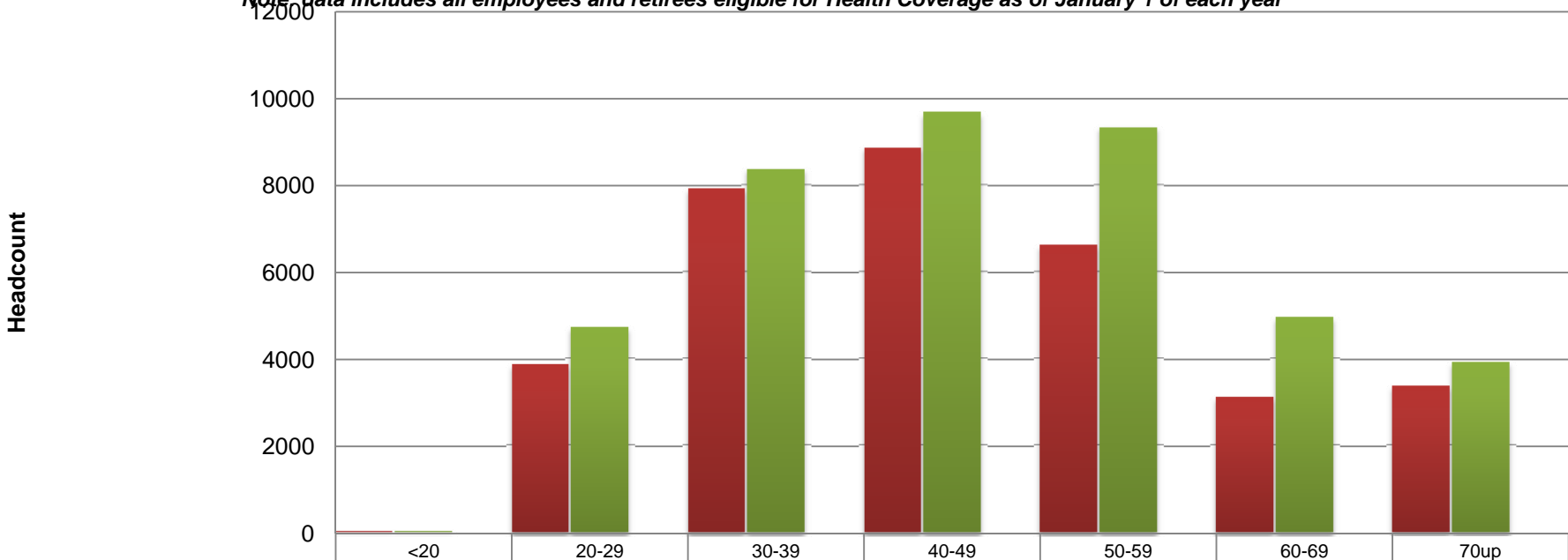
# Environmental Factors Impacting UM's Human Capital Outlook

- ❑ Economic Crisis in the United States and around the world
  - ❑ Financial impact on retirement savings delaying retirement for eligible faculty and staff
- ❑ Cost of Health Care and Health Benefit Programs
  - Currently there are > 80,000 Employees, Retirees and Dependents
  - Impact of a government sponsored national health care program
- ❑ State of Michigan Economy
  - Unemployment currently exceeds 14%
  - Continuing Job Losses in the all sectors most notably in the Automotive sector
  - Census Bureau projected a 2.9% decline in Michigan's 20-39 age group from 2000 to 2010
  - UM workforce reductions to address substantial decreases in state funding
- ❑ Shortage of Healthcare staff – Requires significant workforce planning
  - Continued growth in patient care providers expected to meet anticipated activity growth
  - Focus on productivity/efficiency gains has slowed needs
  - Attrition of staff is slowing as a result of economic environment
  - Continue to monitor retirement trends
- ❑ Increased competition for federal research funding and for faculty and research professionals
  - ❑ To date UM has received 60+ Federal Stimulus funded grants and has approximately 500 other proposals pending
- ❑ Growing expectation for flexibility in work schedules and workspaces
  - ❑ With rising costs of transportation to/from work a number of UM departments have been experimenting with Telecommuting options for staff
- ❑ Increased compliance requirements from Federal Legislation

# Shifting Age Distribution of Faculty, Staff & Retirees

University of Michigan  
 Change from 2002-2009  
 in Benefit Eligible Employees and Retirees  
 by Age Range

*Note: data includes all employees and retirees eligible for Health Coverage as of January 1 of each year*

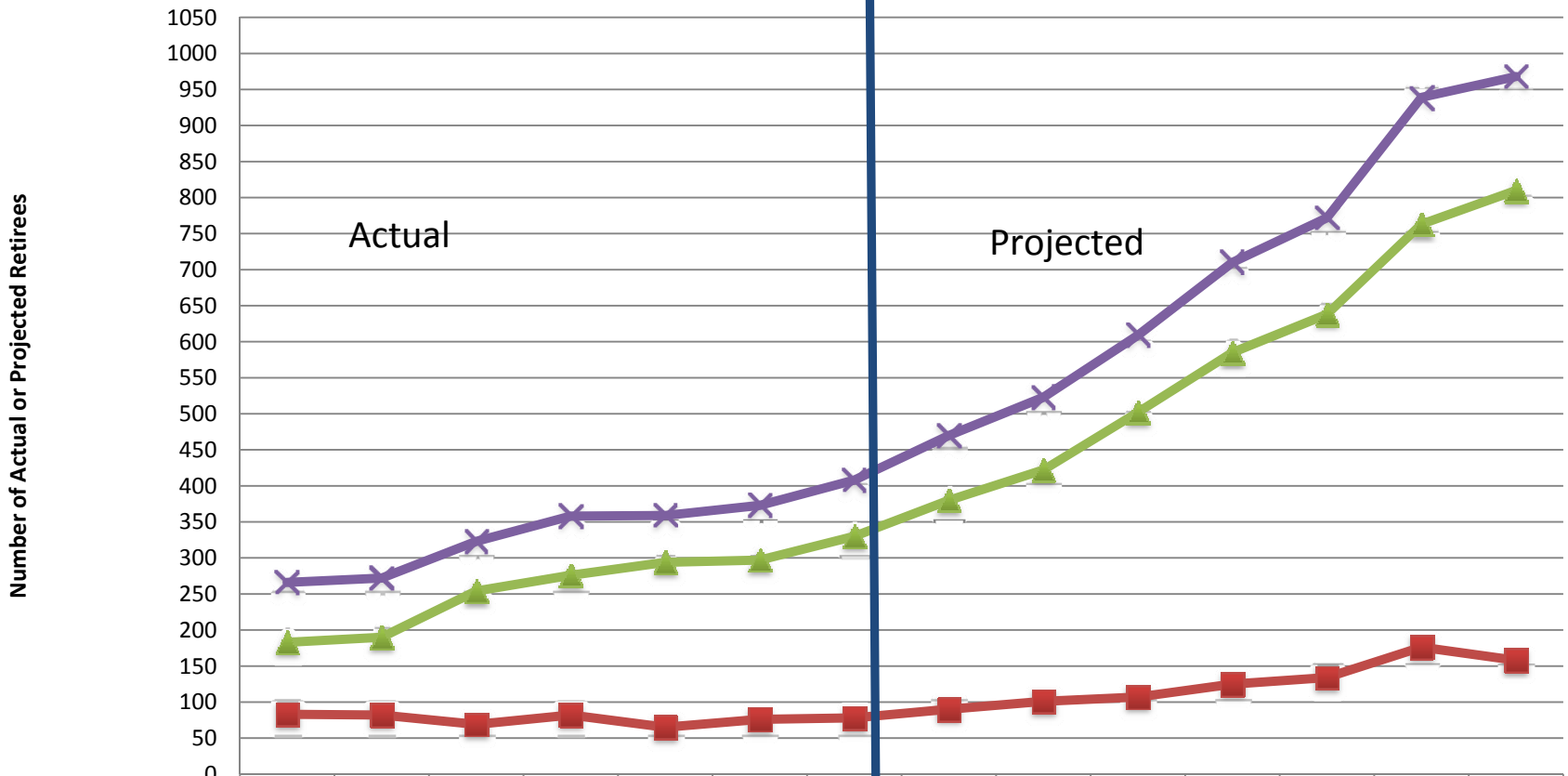


■ 2002 Headcount	27	3876	7909	8868	6628	3116	3378
Faculty	0	160	1428	1681	1345	636	91
Staff	27	3716	6481	7184	4897	868	126
Retirees	0	0	0	3	386	1612	3161
■ 2009 Headcount	30	4715	8376	9688	9337	4956	3917
Faculty	0	137	1555	1889	1605	854	130
Staff	30	4578	6821	7799	7365	1876	84
Retirees	0	0	0	0	367	2226	3703
■ Overall % Change 2002-2009	11%	22%	6%	9%	41%	59%	16%

# Retirement Outlook

## Faculty and Staff Projections

University of Michigan  
Annual Retirement Trends and Projections Through 2015



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Faculty	83	82	69	82	65	76	78	90	101	107	125	134	176	158
Staff	183	190	254	276	294	297	330	380	422	502	585	638	763	810
Combined Total	266	272	323	358	359	373	408	470	523	609	710	772	939	968

# Retirement Outlook - through 2015

**By 2015:**

**Overall Regular Faculty:**

- 20% of Regular Faculty are projected to retire.
  - Regular instructional – 25%
  - LEO – 23%
  - Primary - 15%
  - Regular Clinical – 7%
  - Ann Arbor – 25%
  - Dearborn – 31%
  - Flint - 19%
  - Minority Tenured & Tenure Track Faculty – 22%

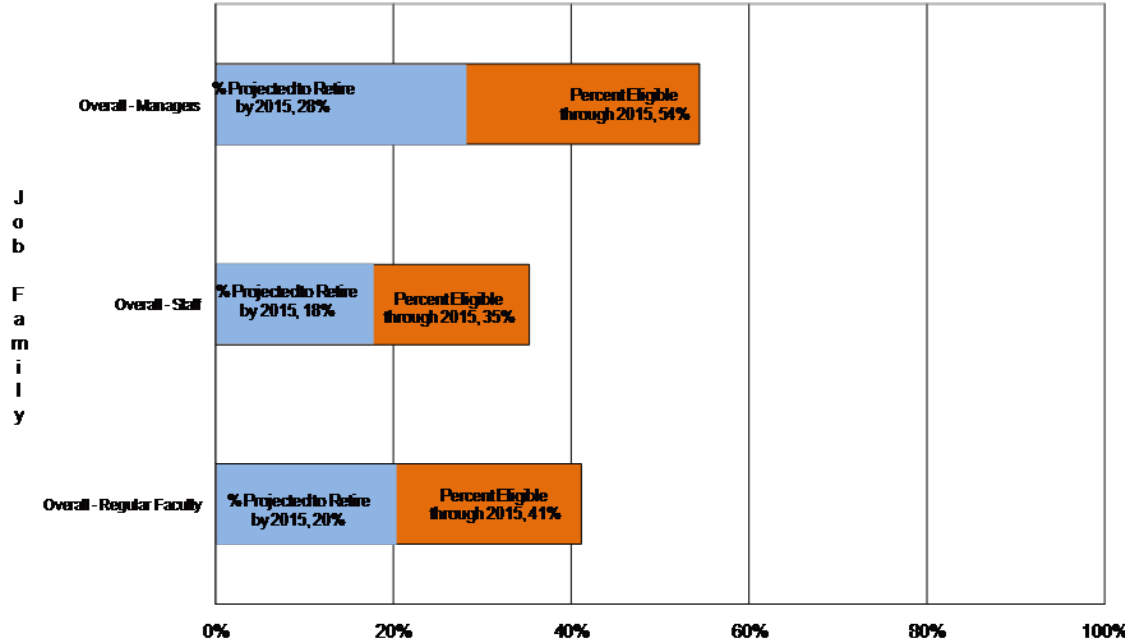
**Managers:**

- 28% of Managers are projected to retire
  - Purchasing- 44%
  - Human Resources – 43%
  - Libraries & Museums – 42%
  - Engineering & Architecture – 37%
  - Administration – 34%
  - Minority Managers – 24%

**Overall Staff:**

- 18% are projected to retire
  - Libraries & Museums – 30%
  - Facilities Operations – 28%
  - Trades – 27%
  - Purchasing – 26%
  - Administration – 25%
  - Minority Staff – 11%

**Overall Faculty, Staff and Managers  
Comparison of Percent Eligible to Retire Through 2015 with Retirement Projections**



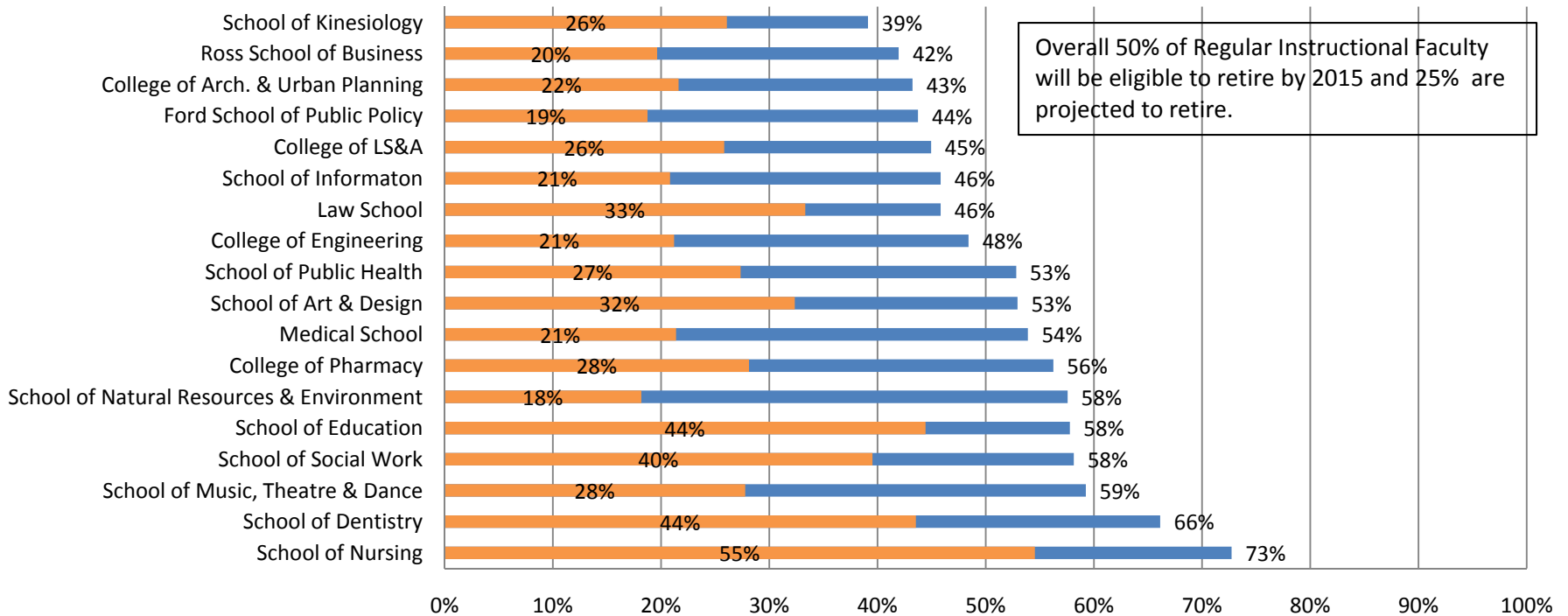
	Overall - Regular Faculty	Overall - Staff	Overall - Managers
■ % Projected to Retire by 2015	20%	18%	28%
■ Percent Eligible through 2015	41%	35%	54%
<b>Total Eligible through 2015</b>	<b>2606</b>	<b>9691</b>	<b>1402</b>
<b>Projected Retirees by 2015</b>	<b>1284</b>	<b>4894</b>	<b>728</b>

# Retirement Outlook

## Regular Instructional Faculty – Ann Arbor

**Regular Instructional Faculty by School/College – Ann Arbor**  
**% Eligible and % Projected to Retire through 2015**

■ Total % Projected through 2015    ■ Percent Eligible through 2015



# Recruitment and Retention

## Key Indicators

- Recruitment

- University wide **Staff** FTE's have grown 18.1% since 2002.
  - Ann Arbor Campus has increased 0.7%.
  - Hospital and Health Centers have increased 44.4%.
  - Dearborn has increased 3.3%
  - Flint has increased 19.3%
- Historically 5700 Staff positions are posted and filled per year
  - 55% of these positions were filled by external applicants during 2007-08 hiring cycle
- Thus far during the 2008-09 hiring cycle, jobs filled per month are averaging 50% lower than during the 2007-08 hiring cycle.
- Number of unemployed workers and un-employment rates in Michigan have increased dramatically and along with it the average number of applicants per job posted increased by ~25%
- Staff Termination rates are below benchmark comparison rates
  - Overall rate is less than 10%
  - 64% of past years terminations had less than 5 years of service

- Diversity

- Overall UM is representative of the population we serve
- Opportunities exist for improving diversity in specific career families

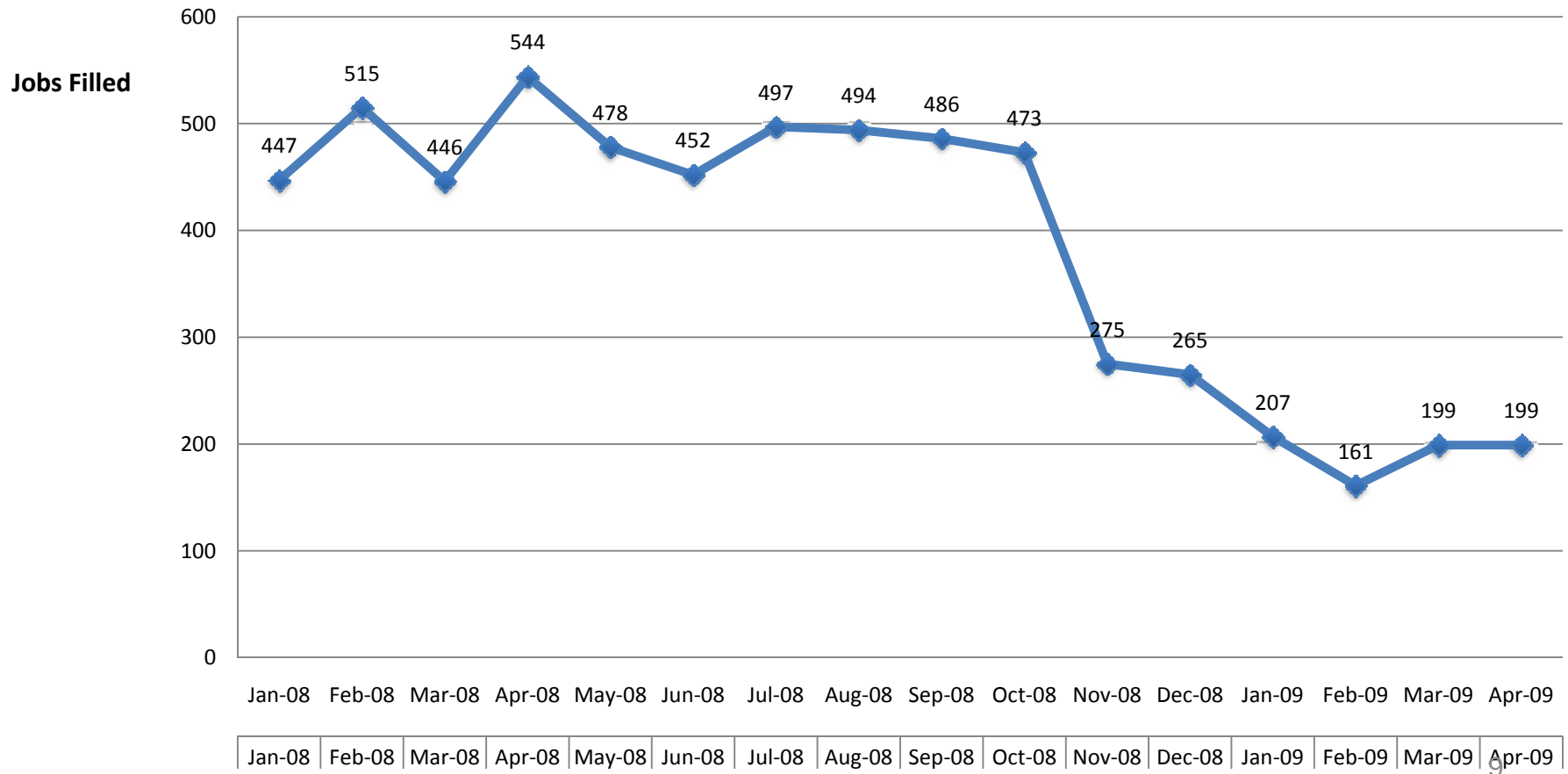
- Retention

- Overall staff retention was 88%
- Overall manager retention was 88%

# Recruitment and Retention

## Key Indicators – Job Postings

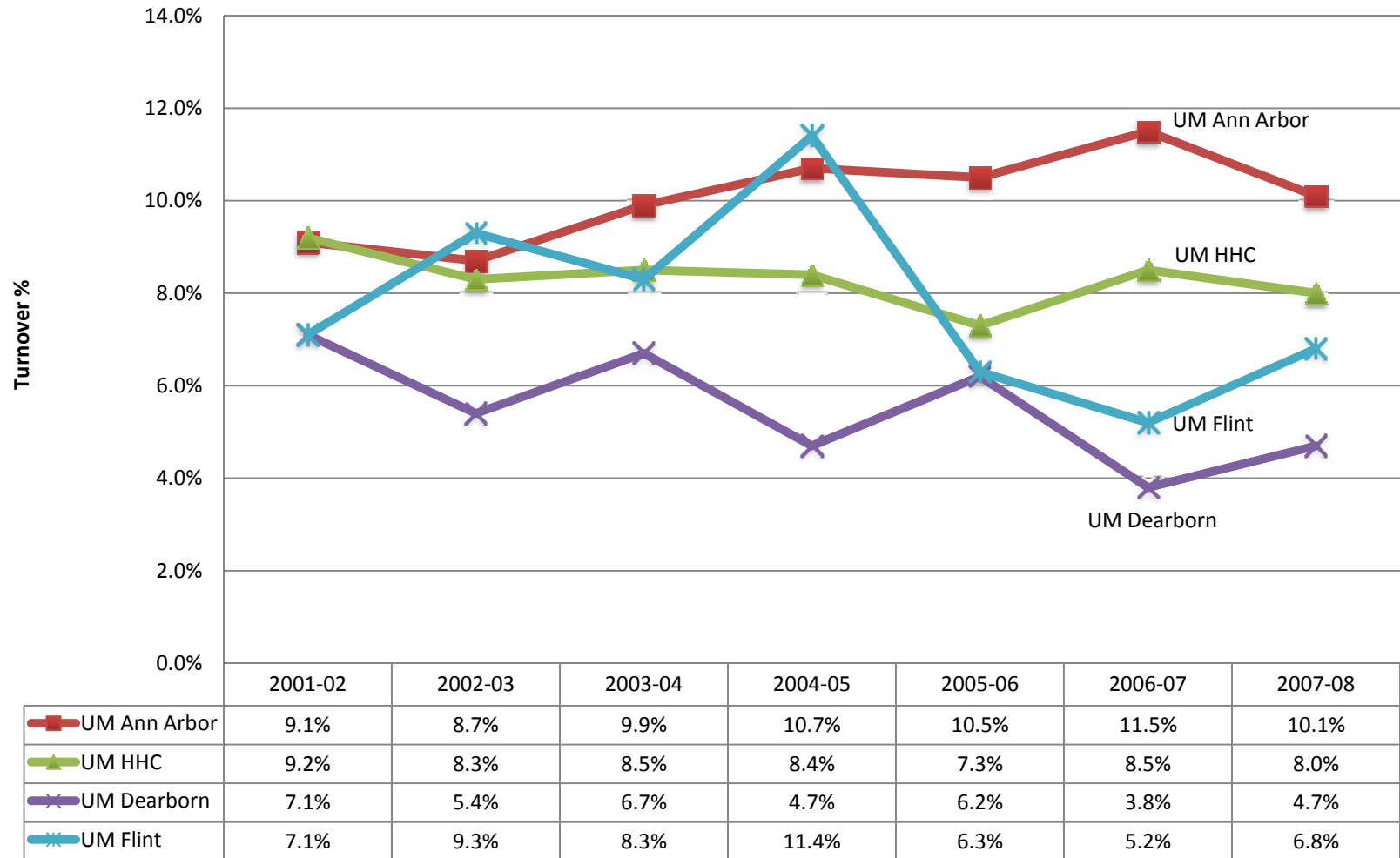
University of Michigan - All Campuses  
Trend - Monthly Staff Jobs Filled  
January 2008 - April 2009



# Recruitment and Retention

## Key Indicator – Turnover Rates

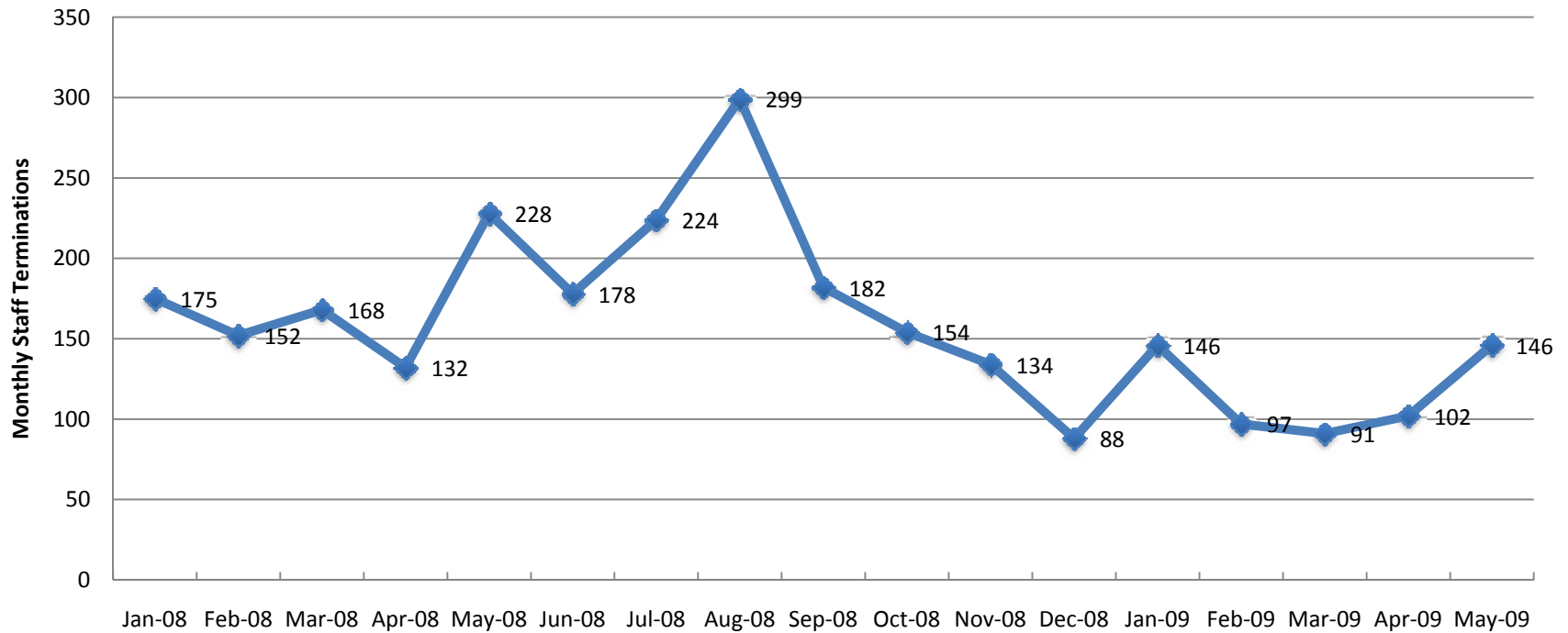
University of Michigan  
Staff Turnover Rate Trends



# Recruitment and Retention

## Key Indicator – Monthly Staff Termination Trends

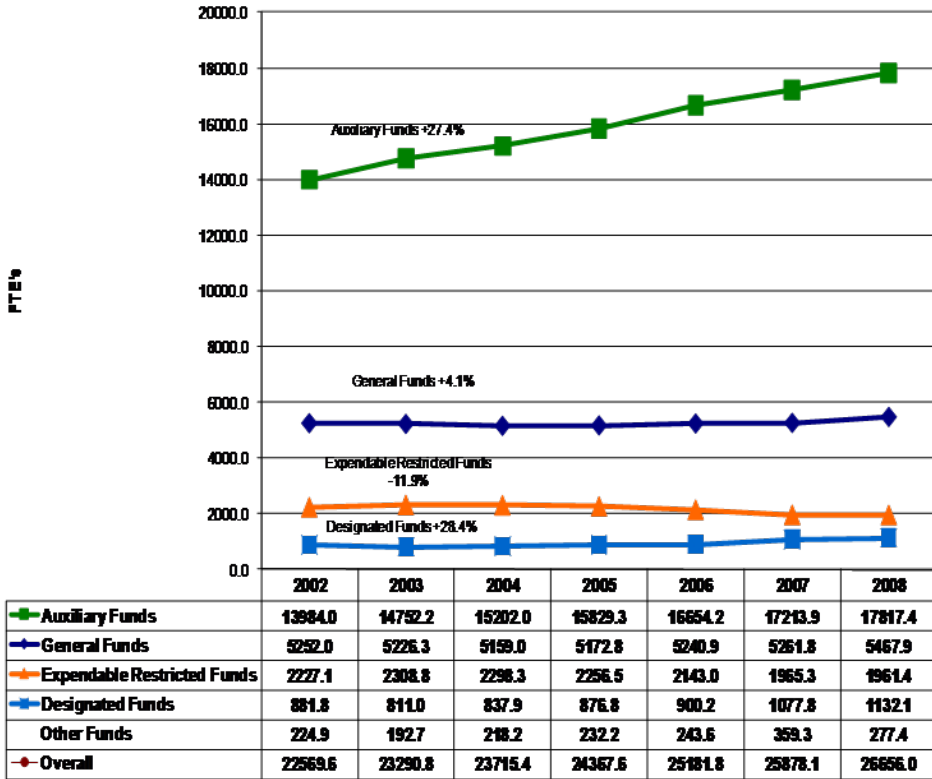
University of Michigan - All Campuses  
Staff Termination Trends by Month



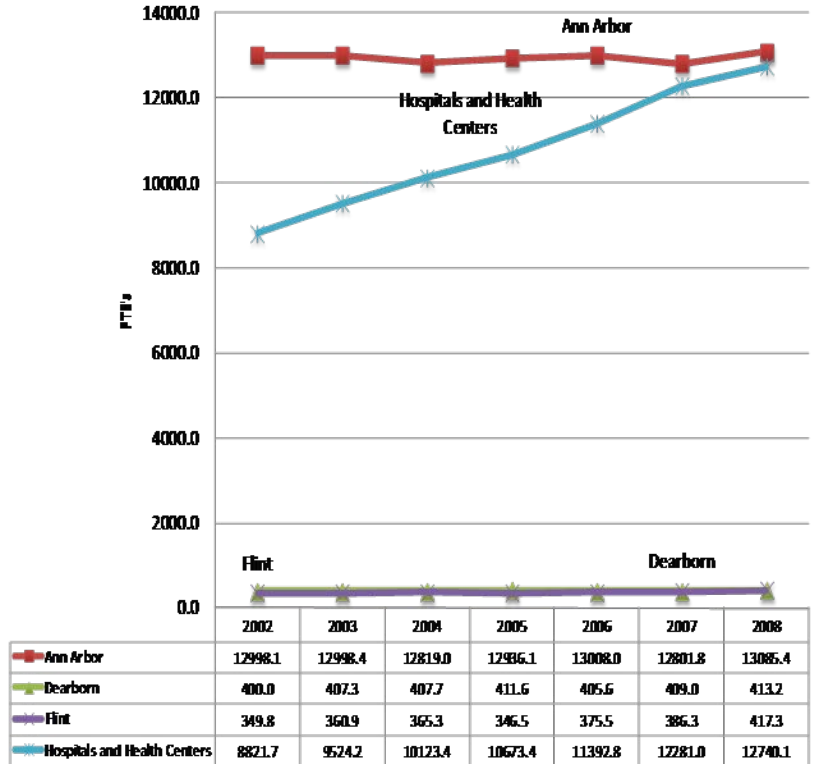
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09
—●—	175	152	168	132	228	178	224	299	182	154	134	88	146	97	91	102	146

# Recruitment and Retention - Staff FTE Trends

All Campuses - Staff FTE Trends by Funding Type  
2002-2008



Staff FTE Trends by Campus  
2002-2008

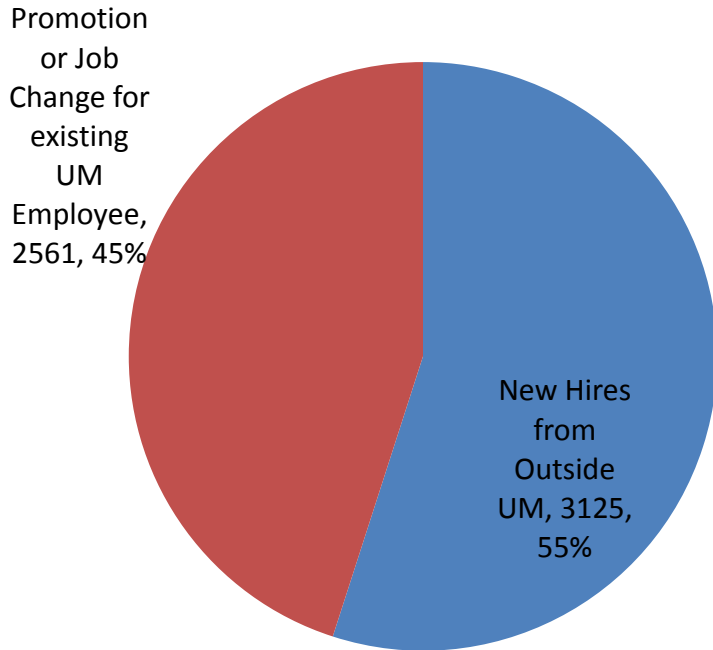


# Recruitment and Retention

## Key Indicators – Recruitment

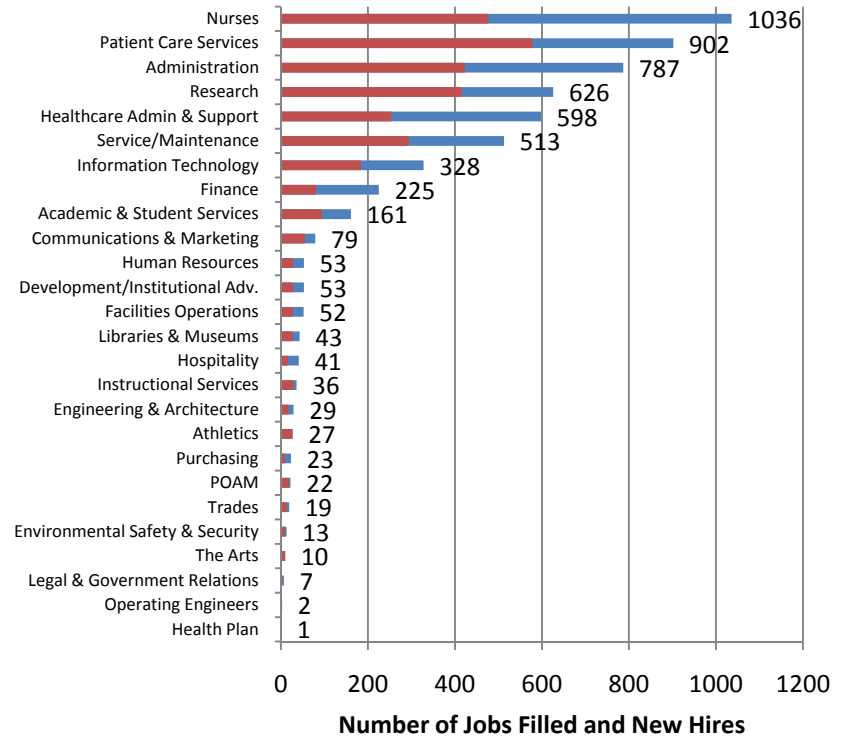
**Staff New Hires vs. Promotion or Job Change for Jobs Filled 2007-08**

- New Hires from Outside UM
- Promotion or Job Change for existing UM Employee



**University of Michigan - All Campuses  
Jobs Filled by Career Family  
Overall Jobs Filled and Number of New Hires  
11/1/2007 - 10/31/2008**

- New Hires from Outside UM
- Jobs Filled Internally



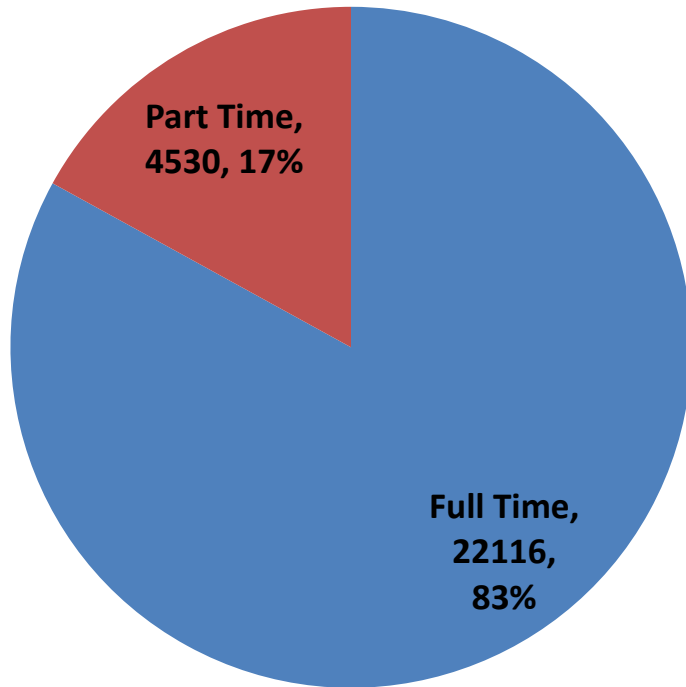
# Recruitment and Retention

Proportion of Part-time staff declines from 17% to 13%

*Note: Part-Time Staff includes individuals with <.8FTE Appointments, Full-Time Staff includes individuals with >=.8FTE appointments*

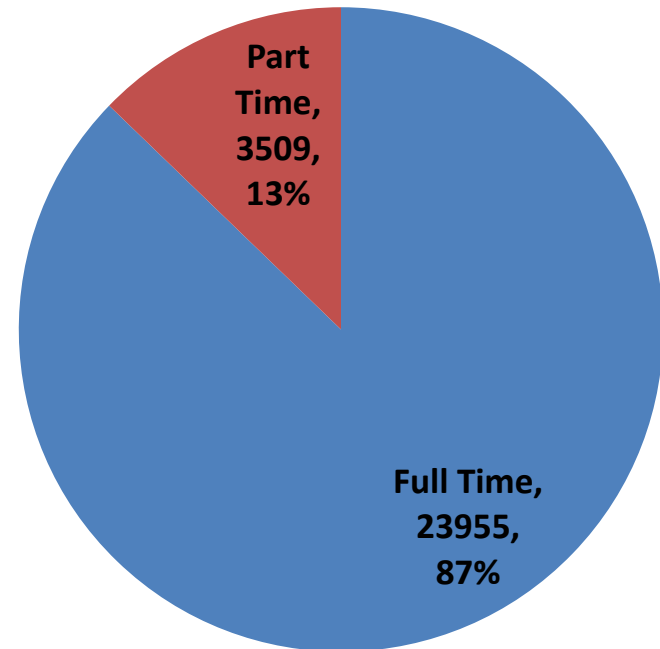
Fall, 2007

■ Full Time ■ Part Time



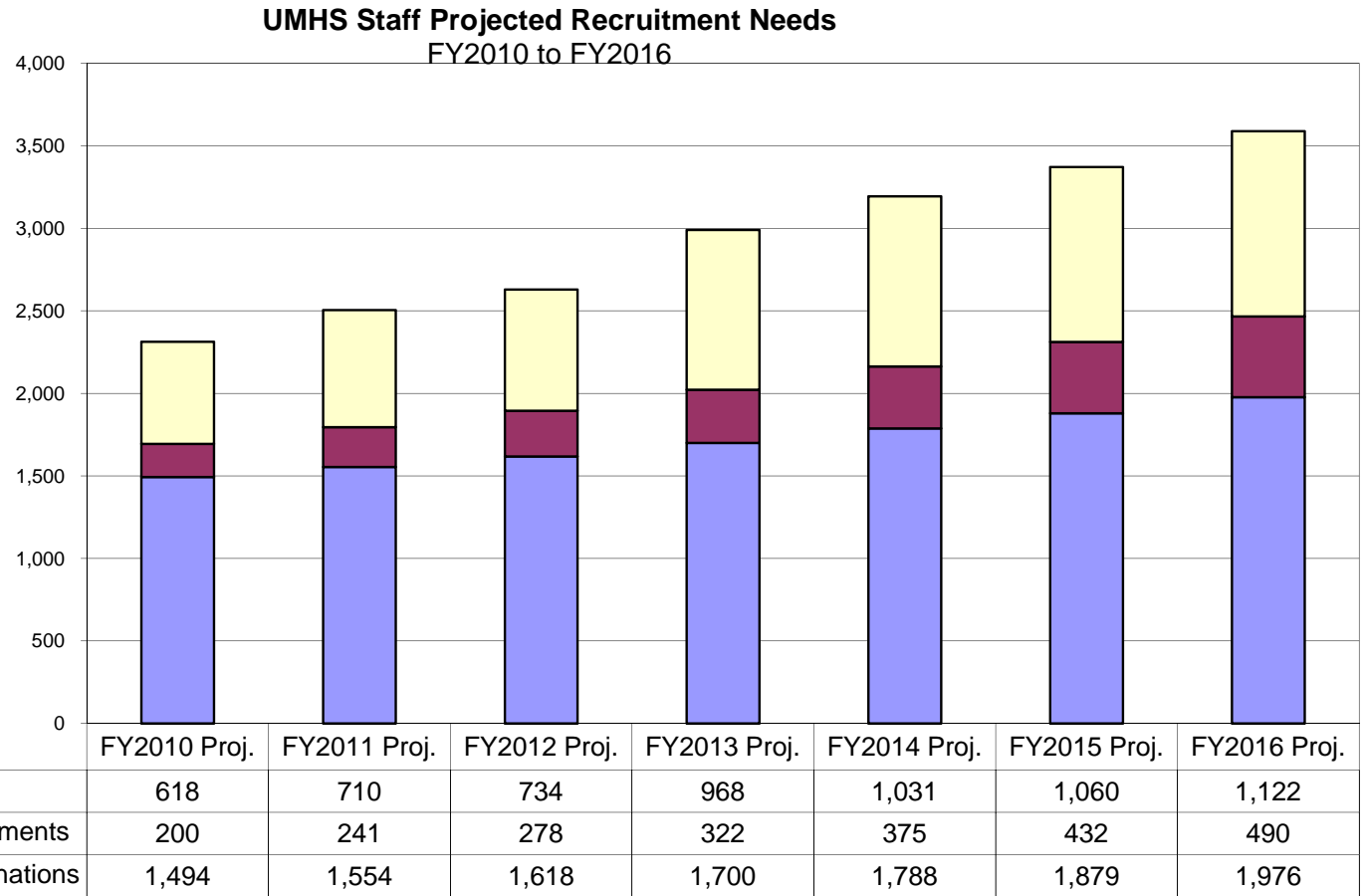
Fall, 2008

■ Full Time ■ Part Time



# Recruitment and Retention Challenges – UMHS

## Projected Recruitment Needs



Projected Recruitment Needs include incremental growth plus replacements, including expected retirements.

# Recruitment and Retention

## Measuring Employee Satisfaction

- UM Hospitals and Health Centers surveyed staff to determine top reasons for staying:
  - Pay & Benefit Programs – 33%
  - Job Satisfaction and Career Opportunities – 33%
  - Environment & Culture – 25%
  - Mission of U of M – 9%
- Business & Finance has conducted annual surveys since 2006. Highlights of results for 2008 include:
  - High level of commitment to UM
  - Overall employee satisfaction remains consistent with previous surveys.
  - Significant improvements in survey results in areas of
    - Climate
    - Recognition
    - Compensation and Benefits
    - Advancement
    - Resources and Environment

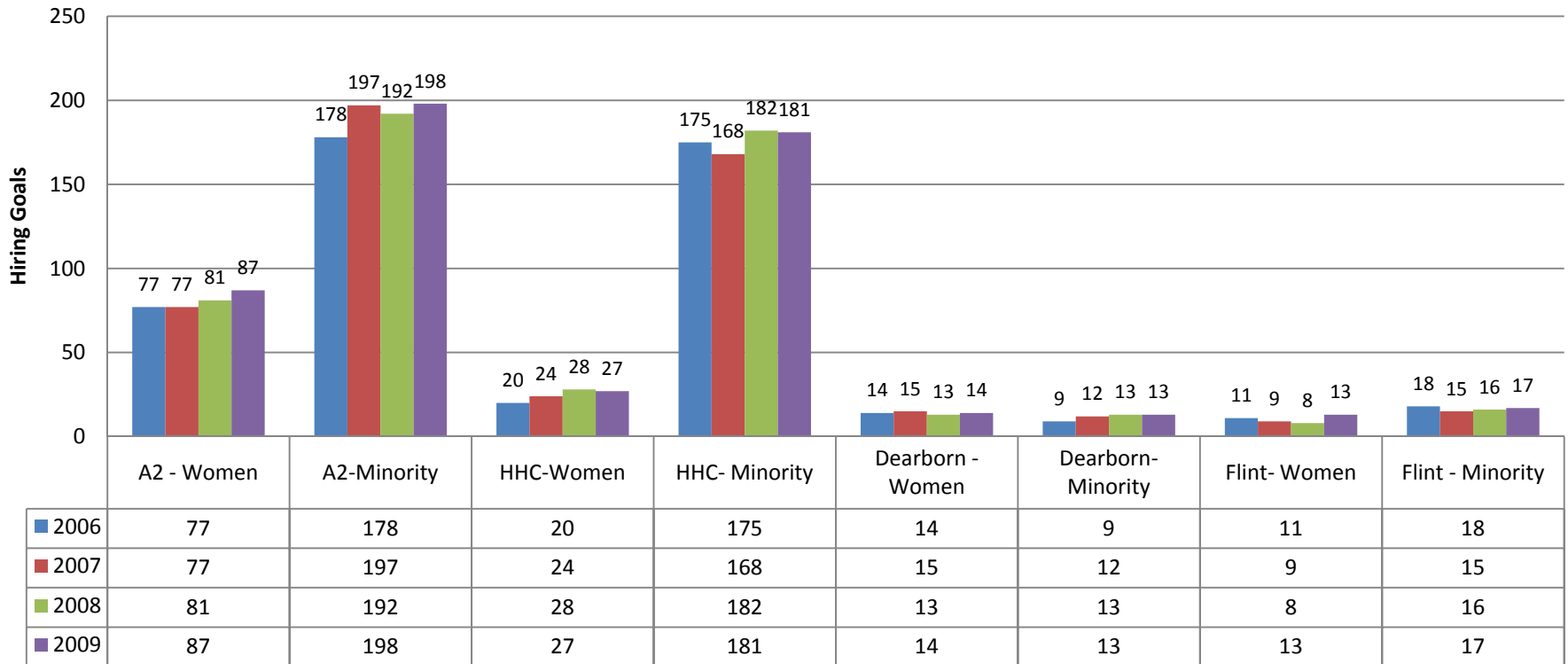
# Recruitment and Retention - Challenges

## Enhancing Diversity

### Trends in Affirmative Action Plan Hiring Goals

#### Staff Affirmative Action Hiring Goal Trends AAPlan Years 2006-2009

Note: Numbers reflect the total goals across all underrepresented job groups



# Recruitment and Retention - Challenges

## Enhancing Diversity

### Targeted Job groups with Female Goals

Career / Job Group	2008 Female Hiring Goals	2009 Female Hiring Goals	Actual Hiring Opportunities during 2008 AA Plan Year (11/1/2007 – 10/31/2008)	% Actual Staff as of November 1, 2008	% Minority Candidate Pool	% Minority Hires
<b><i>Ann Arbor Campus</i></b>						
Instructional Services Professionals	15	15	11	47.8%	61.1%	72.7%
IT Network Adm. Professionals	18	16	10	15.9%	12.1%	10.0%
Media Producers	4	4	10	35.9%	55.3%	60.0%
Electronics & Engineering Tech	5	4	9	4.0%	13.3%	22.2%
Skilled Trades & Apprentices	6	7	8	3.5%	8.8%	0.0%
<b><i>Hospitals and Health Centers</i></b>						
IT Systems Support Professionals	12	9	13	30.3%	21.2%	23.1%

# Recruitment and Retention - Challenges

## Enhancing Diversity

### Targeted Job groups with Minority Goals Hiring Outcomes during 2008 AAPlan Year

Career / Job Group	2008 Minority Hiring Goals	2009 Minority Hiring Goals	Actual Hiring Opportunities during 2008 AA Plan Year (11/1/2007 – 10/31/2008)	% Actual Staff as of November 1, 2008	% Minority Candidate Pool	% Minority Hires
<b>Ann Arbor Campus</b>						
Financial Exec & Admin	11	8	9	12.4%	21.5%	22.2%
Healthcare Exec & Admin	11	9	10	14.4%	22.2%	30.0%
Admin. Exec. & Admin	13	14	28	7.2%	28.2%	7.1%
IT Bus. Systems Analysts	14	16	19	13.2%	27.6%	15.8%
Development & Pub. Rel. Professionals	12	9	40	8.7%	20.4%	17.5%
Human Resource Professional	9	12	35	13.7%	31.7%	5.7%
<b>Hospitals and Health Centers</b>						
Healthcare Exec. & Admin	18	13	11	13.5%	31.4%	18.2%
Healthcare Mgrs. & Supervisors	13	12	10	7.5%	26.9%	20.0%
IT Bus. Systems Analysts	13	11	22	14.6%	30.9%	22.7%
Medical Laboratory Technologists	14	22	35	14.3%	36.8%	14.3%
Social Workers	15	15	27	11.4%	21.4%	25.9%
Nursing Specialists & Consultants	14	13	91	6.9%	14.4%	12.1%

# Next Steps

- Continue to develop high quality and accurate Business Intelligence solutions to provide decision support data as a key component of Human Resources added value to the University
- Human Capital key performance indicators (HR-KPI's) are being implemented using M-Reports to focus unit attention on contemporary workforce issues
- Assist units with talent management strategies to address workforce issues identified through business intelligence and KPI solutions
- Foster dialogue and action planning on these key Human Capital questions.