

Opening Day 2013: 'The Odds Waiting To Be Beat'

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<http://www.uwosh.edu/today/29110/opening-day-2013-the-odds-waiting-to-be-beat/>

The following are remarks shared by Chancellor Richard H. Wells during the University of Wisconsin Oshkosh's Opening Day ceremonies on Sept. 3

Good morning. It is my privilege to welcome you to Opening Day of our 2013-14 Academic Year at the University of Wisconsin Oshkosh.

Every September, we gather on this day in this room to inaugurate the new academic year. And just about every year, I tell you how the year ahead of us is shaping up to be the biggest, the boldest, the brightest for this institution. .. And, just about every year, I'm right... sort of.

But I think you'd have a hard time arguing that the 2013-14 academic year at UW Oshkosh won't be one of the most important in our careers in higher education.

... But before we get too far into the year ahead, I would like us to take a short trip back in time to May – to our 2013 Spring Commencement.

If you happened to be in Kolf Sports Center for the morning ceremonies, then you – like me – were lucky enough to be graced by the words of Anthony Miller. Anthony was one of two Commencement student speakers... And, boy, did he deliver...

As you can see, it's pretty hard not to be inspired by Anthony's message:

"Hard does not make things impossible. Hard simply defines hard. Hard is simply an odd waiting to be beat."

... *"Don't be scared of the option of failure, because you could miss out on the opportunity to win."*

Powerful words, and from one of our students, no less. I can't tell you how proud it makes me feel to hear those remarks coming from one of our graduates – a young man who faced tremendous adversity and forces in the pursuit of his degree. Well, he earned it from our excellent UW Oshkosh faculty and staff. ... And I think we should adopt Anthony's message and spirit as our anthem this year at UW Oshkosh.

The simple truth is we have many odds waiting to be beat... and I am so very proud to stand here today, joined by you all, and pledge that, together, we will beat them.

- In Anthony's story and success, everyone who is part of this campus community has beaten an odd. Anthony is a testament to our efforts to close achievement gaps and give each and every UW

Oshkosh student, no matter his or her socio-economic status or background, an opportunity to immerse himself or herself in the highest-quality education. And we continue to find new ways to ensure each and every student we educate succeeds. For example, there have been colleagues and critics in higher education who were doubtful, if not skeptical, that a comprehensive university like ours could not meaningfully transform general education.

Truthfully, it's a tremendous challenge. How do you rally a diverse community around the work it requires to design and deliver a truly new and effective general education program. Well, we have done it, and we are mere days away from the campus launch of the University Studies Program. Herein lies a success story still being written, and it also represents the first of our three big, ongoing challenges – the first big odd to be beat – for the year ahead: Enhancing the quality of education while closing student achievement gaps.

Again, that's challenge Number One, in no particular order. Onto Challenge Number Two.

- No question: the USP is a one-of-a kind, high quality educational model -- it is also one example of how we are addressing the national discussion about the value and affordability of college. The national debate on this topic is only intensifying. Indeed -- we at UW Oshkosh have really created something amazing, and I think the USP is also a tremendous step in the right direction to adding and demonstrating greater quality and value in a college education. ... But let's not lose sight of our efforts to continue facing the second odd to be beat – the second big challenge facing us: Addressing affordability. Now more than ever, it is critical we bolster and strengthen our student support services, fortify federal funding and scholarship opportunities and really push ourselves to keep high-impact campus programs like the Student Titan Employment Program (or STEP) alive. Hard? Yes. But, as Anthony reminds us, “Hard is an odd waiting to be beat.”

Finally, challenge Number Three:

- I will not leave this podium today without, once again, pledging to you that this University is not about to back away from its commitment to doing all it can to address employee compensation. ... Again, the budget scenario we face is difficult. ... What else is new? If we truly believe in providing a high-quality education for each and every one of our students, then that means we mustn't back away from our plans to do everything in our power to fairly address compensation and support for the 1,700 people who work so hard for this institution.

The good news is we are united in facing these three priorities head on, no matter how big the challenges – how great the odds – may be. The tough news: Because of the state legislature's and Governor's budget action this past summer (other than some funding for a 1% pay plan), there is no additional investment in UW System institutions. So, we are going to have to commit to reinvestment of the funds we have to address our priorities. ... And the additional tough news: That same foundation of funding will

also have to be the source of reallocation to cover the budget shortfall we face based on the summer biennial budget action.

So, while we are united and committed to the good and critical work of

- improving educational quality while closing student achievement gaps,
- addressing college affordability
- and delivering on our plans to provide performance-based, salary-equity compensation adjustments.

What is clear is we will not get anywhere unless we take on these challenges together.

Let me delve a little deeper into what's ahead and what it will take to meaningfully make progress on each of the three big challenges in the year ahead... We'll continue where we just left off – compensation.

First, let me outline the situation and emphasize our specific funding priorities:

- UW Oshkosh is facing an approximately \$6 million one-time budget lapse over the biennium, and, of that, approximately \$3.5 million is a future, ongoing base budget reduction.
- In addition, we know we are committed to the funding necessary to make the strategic priority, that is the University Studies Program, a success.
- We also are committed to funding STEP and other efforts addressing college student affordability.
- And, last but certainly not least, we are committed to providing performance-based, salary equity adjustments for University's faculty and staff.
- ... Add together our shortfall and investment in our priorities and we come to a grand-total figure of approximately more than \$10 million over the biennium.

That is \$10.5 million in funding that, due to the unfortunate lack of reinvestment in UW institutions like ours, will have to be reallocated from our existing funds over the biennium to cover projected budget shortfalls and to fund our top three strategic priorities.

Are we backing down from our commitments? No.

Are we going to have to make some very significant budget adjustments? Yes.

We will be staying in close communication with the UPLAN Council and all of your elected shared governance leaders to obtain advice as we move forward, refining our strategic financial planning and related annual budgets over the next several months.

Now, back to our employee compensation challenge and what our budget situation means for you and your colleagues.

We continue moving forward on our plans to provide performance-based, salary-equity compensation adjustments for faculty and academic staff. This follows a first wave of discretionary merit compensation (or DMC) adjustments for Classified Staff, eventually to be recognized as University Staff.

Those faculty and academic staff due to receive adjustments through the salary-equity process would, more than likely, receive a first-wave adjustment by November. Adjustments would occur in two pieces over the biennium. Employees qualifying for a – for example -- \$1,500 adjustment, would receive their first, approximately \$750 annual base increases by November... followed by a second \$750 annual base increase in 2014.

Classified Staff – again, to eventually be called University Staff -- will also receive a second wave of DMC adjustments by this November.

When all is said and done, about 50 percent of employees will have received adjustments. That means, about 50 percent of employees won't.

So, what factors are involved in deciding who does and who doesn't receive these salary adjustments? It's a good question, and I want to shoot straight with you.

Given that we are trying to dramatically reduce salary compression, many – but not all – of the people who will receive these salary adjustments will be solid performing, longer-serving employees. To explain all the factors that will be involved in making the salary adjustments, let's start by making clear what salary compression really is.

- The best predictor of what salary our employees have today is what salary they started with... And, depending on when and how different faculty and staff started here, they may have experienced the forces of compression very differently... if they have at all.
- As new employees come in, their starting salaries are, generally, higher than those colleagues who started at UW Oshkosh years ago. Things soon can get “out of whack.”
- So, the performance-based, salary-equity adjustments are needed to “decompress” things – to make things more even and equitable between solid performing new and longer-serving employees.
- Again, it follows that most – but not all – of those longer-serving employees are more likely to have experienced compression, sometimes referred to as “compaction”... Others call it the “loyalty tax.” You may have heard of it phrased that way in Wisconsin.
- Let's put it terms of some easy-to-understand scenarios. These scenarios may help you understand who we are talking about and how and why they might – or might not – be in line for performance-based salary equity adjustments.
- Let's first look at performance. It is just one factor in the equation. Longer-serving, solid performers who, due to compression, are earning far less than they should be might qualify.
- Next, there are employees who are not as long-serving but who were hired at UW Oshkosh as, you might say, “a steal.” So, a salary adjustment should be warranted.
- Finally, there some high-performing, long-term employees whose salaries have been adjusted over time due to our need to retain them. We may have provided counteroffers to boost their salaries and, thus, they aren't necessarily in line for a salary adjustment – performance and equity have been addressed.

So, you can see as we dissect the reasons why solid performing employees might -- and might not -- get a salary adjustment – nothing is automatic. And that’s a good thing. We are being deliberate. We are being thoughtful about how we do this. There is a lot of careful analysis involved. We want to do this fairly. We want to do this right. And we are going to do it.

Let me address another big reason we are so determined to follow through on our compensation plans even given the significant budget challenges we face. I want you to know that I am fully and completely aware of the morale issues we have experienced. And I know the fact we continue to fall behind in compensation is one reason morale has suffered. We should not forget, UW faculty and staff salaries are about 18% behind their peers’ average. People are, frankly, very disappointed if not sad. It’s not a good feeling. It’s not right.

I completely understand that a solid performing, long-serving colleague who qualifies for a salary adjustment under the system might not feel so great. That person might certainly appreciate the fact that we are finally correcting inequalities between their pay and that of a much newer colleague... So they might feel good.

But it’s not exactly medicine for morale. That same person might also be ambivalent about “performance-based, salary equity adjustments,” feeling they are long overdue – not exactly something to throw a party about.

We get it. We understand how our colleagues feel. But that does not change our belief that this is still the right thing to do. We are going to do all we can, and we pledge to keep you updated as we consult with your governance leaders and finalize our plan during this next couple of months.

Now, we also need to support you and the persistent innovative, creative and entrepreneurial attitude that you have made a hallmark of UW Oshkosh these last many, challenging years.

Yes, our students in the UW System have been asked to pay more for college and bear a greater share of their educational costs in the last several years as the money Wisconsin taxpayers chip into higher education waned. And, yes, their extra sacrifices haven’t been channeled into the pay of their professors or staff – the providers of a high-quality educational experience.

Yet, how remarkable is it that we gather here today, coming out of the economic fog of the recent recession, having done a pretty good job of growing or preserving record enrollments. Meanwhile, we’re:

- Designing and launching high-demand programs like the USP... And workforce skills-gap closers such as the new mechanical, electrical and environmental engineering technology degrees developed with New North's NEW ERA institutions.
- We have a new College of Business Executive MBA path, a new high-impact insurance program to offer, and continue graduating nursing-doctorate holders.
- Faculty and students are working with dairy farms, large and small, to generate electricity from waste.
- College programs are ensuring local waters are safe for swimming and drinking.

- And we're catalyzing riverfronts and industrial parks for real, meaningful economic development.
- All this... and we don't lose ground when it comes to the 2,000-plus students we are graduating each year...

The odds have clearly been against us... But we don't quit, nor do we sacrifice one iota of innovation. Your talents and efforts amaze me.

So, we're not going to let the odds beat us, even if people are surprised by how different our objectives and initiatives look to some people, even critics.

Beyond continuing to push ourselves into new ventures and partnerships that give our students incredible learning experiences, we need to push ourselves to do a better job of explaining "how" we do it.

You may remember a little *spat* last spring over our fund balances. Well, those fund balances aren't a negative. They are a positive – a public good derived from popular programs, our resourceful business models and our educational ingenuity. They are the product of good stewardship and good stewards. We have grown revenues. And we have preserved these funds for the challenging times we find ourselves in.

The initiatives and projects fund balances continue support are important, and I know they are important to you. Many of the research programs, waste-to-energy initiatives and the other entrepreneurial endeavors we and our UW Oshkosh Foundation have launched are more than just "politically popular." They are rewarding. People here are working on things that they care about, and we are excited to keep these opportunities coming. They tap into your passion.

Some of our ventures may be a bit risky and seem a little surprising to our few critics and even our legion of supporters at times... "*Biodigesters at big and small dairy farms?... Foundations buying hotels?*"

We know that our motivation is our mission. High-impact student learning opportunities. Research. Scholarship generation. Public education... These are the reasons we pursue these innovative ventures – for our students, for our campus, for a sustainable community and economy and a better earth.

We can commit to doing more to make sure no one is caught off guard or surprised by our passion and pursuit of these projects. We operate in a proving ground that is, essentially, the public square. Sure, we'll fail sometimes. And, when we do, it'll be in the public's view. That's okay. That's what it is to be an experimenter or an entrepreneur. That's what it is to try. In the end, we rack up far more wins than losses.

You'll hear more this morning from Provost Earns. Vice Chancellors Roter, Sonnleitner and Rathjen about our efforts to address many of our challenges and showcase our many accomplishments.

Before I close, let me say again how excited I am for the year ahead and how proud I am of the way we continue to advance this institution. We're not just "doing more with less," we're doing better and we're breaking ground as we go so that our students may grow and thrive. That is the epitome of a higher educational institution fulfilling its mission.

And it's not just me saying that. One last thing I wanted to share -- it's evidence that proves the people who truly rely on our work know the challenges we face and the ways we are beating the odds.

(Chancellor Wells shares a letter from a proud parent...)

...My youngest son John just graduated on May 11, at the very impressive 9 a.m. Ceremony. He makes the third child to graduate from UWO in the last 8 years.

... I wish I could wave a magic wand that would give the general public the insight and wisdom to APPRECIATE our public universities. I hope the tide will soon turn so we once again provide the support and respect at the appropriate levels that your efforts, and those of your professors and staff, deserves.

...Thank you for your important contribution to our childrens' lives.

... Again, we are incredibly proud of you and the work you do.

Read more:

- [UWO faculty, staff honored at Opening Day 2013 ceremony](#)