University Managers Can Stop the Trend to Outsource

by Terrence J. Pellerin

Across the country, colleges and universities are faced with the increasingly difficult task of trying to run a fiscally sound institution while remaining committed to their primary mission of educating students. Financial Aid costs are increasing due to the need to attract quality students in a very competitive market. Combined with rising utilities, increased operating costs, and program expansion, these factors are forcing schools to take a critical look at how they do business. While attempting to keep tuition and fee increases to a minimum, universities must look at reducing costs. As budgets shrink and departments are asked to do more with fewer resources, academic departments usually begin to scrutinize non-academic departments for possible cuts. Often, one of the first areas under discussion is custodial services. This quickly leads to a discussion of outsourcing, which offers a promise of immediate and significant savings to the institution. Yet, with each opportunity for savings, there is always a cost.

What will become of the custodial work force in the future if managers do not sit up and take notice? Previously, these hourly university employees have had the opportunity to earn a decent living which has allowed them to live in modest comfort. How will future workers be able to do the same if the trend to outsource continues? How can people working for a contractor for six or seven dollars per hour afford to live? How will future members of this segment of the work force buy houses, afford the rising cost of higher education, or retire comfortably?

The only way to secure these jobs for our future generations is to educate managers to the fact that they are directly responsible for our current and future work force. As Associate Director of Physical Plant at WPI, a small, private university in Worcester, Massachusetts, I met one day with my boss, John Miller, the Director of Physical Plant. Our conversation was quite candid about the future of our department, the financial challenges ahead, and how we could best address these issues in a proactive manner. We decided that the place to start was to reengineer our custodial work force, as they were the most vulnerable to cuts or outsourcing.

The first step in our reengineering process was to begin to educate the custodial work force that we are in a service industry and customer service is the most important part of our job. Since rumors of outsourcing were already circulating around campus, I found the staff generally receptive to recommitting to this service philosophy. With this seed planted, we then concentrated on exploring new cleaning methods, researching innovative equipment and products, and most important of all, examining the effectiveness of our training programs.

As managers, in order to begin thinking outside of the box, we must seek out companies and individuals who are doing the same. At WPI, we started by speaking with one of our custodial supply vendors, Ro-Vic a division of NorthEastlink Inc. They had a program called Team Cleaning, which emphasized four cleaning specialists, one for each task of vacuuming, bathrooms, trash/dusting, and utility services. After studying the program, we first implemented
team cleaning in its purest form with an experimental team. After a two month trial period, we assessed the program and then adapted the most beneficial aspects to fit our institutional needs. The chief components of our program were new training methods and then the introduction of new equipment. We then implemented the program campus-wide, and within a short period of time, employees embraced the new ideas and equipment.

One of the most critical aspects of implementing any change is to maintain open lines of communication with your workers. During this period, we met with all of our custodians monthly. In times of change, employees need information and reassurance, they need to be able to offer feedback, and they need to know the truth. It is important for the work force to know what the goals are, how they can help to achieve these goals, and what the rewards will be. These rewards may be greater job security, the opportunity for advancement in the organization, or the ability to help make decisions on future supplies or equipment. By seeking input from the staff, future leaders can be identified and encouraged to further their education and experiences in order to achieve greater aspirations. If this can be accomplished, you will find that your work force will rise to the challenge. The bottom line of these ongoing communication efforts is that both supervisors and hourly employees must understand that the changes that are being made are for everyone’s job protection and security.

At WPI, the changes in our training, cleaning methods and equipment also enabled us to achieve some savings through a reduction in our work force. We reduced our staffing from 42 FTE's assigned to cleaned 1.3 million square feet, to 33 FTE's cleaning the same space. Reducing the work force and asking people to clean more area is difficult, but other concurrent strategic changes assisted with the transitions. The reductions and resulting savings allowed us to create three floater custodial positions. These floaters assist the cleaning staff with project cleaning when staffing is at 100% and clean assigned areas when staffing is deficient due to vacation, illness, or medical leave. These floater positions have been very effective in maintaining consistent service across campus while at the same time reducing overtime expenses. We also created two paid positions to support our campus recycling efforts out of the savings from staff reductions. It is important to note that all reductions in staff were accomplished through attrition over a period of years, allowing for a gradual restructuring of work assignments. This approach helped to boost employee morale while at the same time gave management a good deal of respect from the work force.

Another area that we have explored to strengthen our work force is in the area of team building. Through working with Nashoba Associates Inc. of Littleton, Massachusetts, we provided a two day seminar on the concepts of team building that was mandatory for all custodial staff and supervisors. As an offshoot of this training program, we established four custodial teams to look at work issues such as overtime, uniforms, training, and supplies. The teams have responded positively to having the opportunity to provide input into the issues which directly impact them. The additional time that it takes to effectively manage these teams is well worth the investment. Our staff is more active, involved, and committed.

Recently, we have begun to apply some of the successes in the custodial department to other areas of the physical plant. Several members of the grounds personnel are taking college level landscape and design courses with an opportunity to move up in classification to a gardener
upon successful completion. The staffing assignments have been restructured so that each person has now been assigned their own section of campus which they are responsible for maintaining. This has resulted in some healthy competition among the grounds crew concerning appearance in their respective areas.

The key element in the successes that we have been able to achieve is the empowerment of our employees. This has been accomplished through maintaining open lines of communication, involving them in making decisions on a variety of issues, and demonstrating our sincere commitment to their well being and job security. Our work force is revitalized and is exceeding our expectations on many levels. They are working more efficiently, the quality of their work is higher, customer service has improved, and the campus perceptions of the custodial staff have never been better.

The goal of this article has been to illustrate that there are alternatives to outsourcing which can be equally as effective in reducing costs and increasing quality and customer service. If managers are committed to the future of their work force, it is time for them to stop settling for the status quo. An active process of consultation, exploring new approaches, maintaining open lines of communication, and actively involving your constituents can revolutionize your work force. It certainly has at WPI.