

The Restructuring of the University of Alaska System  
and its Implications for Faculty Collective Bargaining

Annual Meeting of the Center for the Study of Collective Bargaining in Higher Education  
and the Professions  
Baruch College, CUNY, March 5, 2001

James R. Johnsen  
Chief of Staff, University of Alaska System

Abstract

This paper examines a case of restructuring in higher education and its impacts on faculty collective bargaining. The particular case is the consolidation of the University of Alaska System in 1987 in response to a severe fiscal crisis in the State of Alaska. The consolidation involved, among other major actions, the University's unilateral withdrawal of recognition from the union representing community college faculty. While on balance the consolidation of the University system has had positive outcomes, the withdrawal of recognition from the union resulted in substantial financial costs and 10 years of labor management conflict, and contributed to considerable tension between union and non-union faculty as well as the eventual unionization of the two other faculty groups at the University. The paper concludes with a question that universities considering restructuring should address in order to enhance their likelihood of success.

## Setting the Stage: Alaska's Social, Political, and Economic Context

In 1987, the state's population was approximately 500,000 spread across a land mass that comprises just over 15% of the United States' total land area. If transposed on the contiguous 48 states, Alaska would contact both Atlantic and Pacific Oceans and the University's system office would be somewhere between Chicago and Madison. Over two-thirds of Alaskans live in one of the state's three largest cities – Anchorage, Fairbanks, and Juneau. The culture is diverse, with approximately 20% of the population Alaska Natives and significant populations of Asian, African, and Phillipino Americans.

Politically, only Hawaii is a younger state than Alaska, with statehood coming in 1959. With a population now of only 600,000, we have just one representative in the United States House of Representatives, but we are blessed with the chair of the Senate Appropriations Committee. The political culture of the state is complex, but can be summarized in one of our most popular bumper stickers, "We don't give a damn how they do it outside."

Alaska is very much a colonial resource extraction economy, feeding the resource hungry American Empire. Alaska:

- produces 25% of the oil consumed in the United States,
- has the nation's largest national forest,
- has a longer coastline than the rest of the nation combined,
- is centrally positioned on one of the planet's most traveled air transport corridors,
- is a prime location for retrieving and analyzing data from low earth orbiting satellites,
- has over half of America's low-sulfur coal,
- has the nation's largest commercial, subsistence, and sport fisheries, and
- contains as our nation's largest untapped oil and natural gas reserves.

We ride a boom and bust economic roller coaster in Alaska, cushioned only slightly in recent years by the income to the state from investment of a \$30 billion dollar savings account, the Alaska Permanent Fund. We have no state income, sales, or other personal taxes. Indeed, last year, each Alaskan man, woman, and child received a dividend of \$2,000 from the Permanent Fund.

During the oil boom years between 1975 and 1985, public higher education in Alaska experienced rapid expansion. By 1985 there were 14 separately accredited campuses serving the population at the time of around 500,000 people. These institutions were organized into five major administrative units:

- The University of Alaska-Fairbanks, the state's original land grant campus, founded in 1917, with strengths in marine, geophysical, and other natural sciences, and the only doctoral programs in the state;
- The University of Alaska-Anchorage, a young comprehensive university in the state's largest city with great unmet aspirations for graduate and research programs;
- The University of Alaska-Juneau, a small liberal arts baccalaureate institution in the state's capital city; which, by the way is inaccessible by land
- Anchorage Community College, by far the largest community college in the state with over 10,000 students; and the
- Community Colleges, Rural Education and Extension unit, a system of ten community colleges, a dozen rural education centers, and the cooperative extension service.

A note on collective bargaining status of the faculty is appropriate here. In 1985, only one of the university's three faculty groups engaged in bargaining. This group, the Alaska Community Colleges' Federation of Teachers (ACCFT), represented approximately 250 community college faculty at the Anchorage Community College and in the system of ten rural community colleges. The 750 regular faculty at the main campuses and the nearly 1,000 adjunct faculty across the system had not yet begun to engage in collective bargaining. More on this later.

By 1986, as a result of a collapse in world oil prices, the state's revenues fell to one-third of 1985 receipts. In turn, the university system's state-funded budget was reduced from \$168 million in 1985 to \$153 million in 1986. And I should note that this was just the beginning...over the next ten years, the rate of higher education support from the legislature experienced a nominal increase of just 2 percent, the lowest in the nation, compared to the national average of 42% and the average of the other 3 oil states (Louisiana, Texas, and Oklahoma) of 57%.

### System Restructuring of 1987

In response to the budget cut, the university system commenced a restructuring process to reduce costs while attempting to maintain academic quality and access. After considerable process involving administration, faculty, the Board of Regents, and legislators; the university took the following steps:

- consolidation of the community colleges under the three major universities (Anchorage, Fairbanks, and Juneau);
- combining faculties at the largest campuses (with by far the greatest effect at UA Anchorage);
- elimination of over 100 administrative positions; and, last and most infamously; and
- withdrawing recognition from the union representing community college faculty.

### Impacts on Faculty Relations

On the positive side, the restructuring:

- saved approximately \$6 million;
- avoided a declaration of fiscal exigency;
- protected academic programs and the faculty in them from reduction;
- improved the articulation of academic programs between the community colleges and the universities and among the universities;
- and improved relations, in certain respects, between the two main faculty groups.

On the negative side, the restructuring:

- resulted in tremendous upset and confusion, not to mention arbitration, legislation, a statewide referendum, law suits, and a \$4 million back pay award to ACCFT represented faculty, thus diminishing cost savings to less than half.
- was perceived by many to diminish the role and autonomy of the community colleges and their mission;
- did not take the opportunity of economic crisis to focus on differentiated missions across the major campuses; and
- due to the withdrawal of recognition of the community college faculty union in particular, had a long lasting and very negative effect on the university's relations with that group of faculty. These effects were especially pronounced during the period 1994-1997, a time of on-and-off negotiation for a successor

agreement that involved unfair labor practice complaints, grievance arbitrations, and strike votes. It has only been in the last three years that relations with ACCFT have improved to point where the parties can work constructively on issues.

Somewhere in between the positive and negative is another effect of the restructuring...the unionization of the two other faculty groups, the university faculty and the adjunct faculty. I say that these results were somewhere between the positive and negative because I, as the person hired to represent the university in the negotiation of the first contracts for these new units, believe that in many cases, it is in the employer's interest that its workforce be unionized...especially when management, as is sometimes the case in higher education, is lacking.

### Observations

1. Restructuring through consolidation, in and of itself, can reduce costs and increase coordination across a university system and within its campuses.
2. From an organizational perspective, the restructuring in Alaska has resulted in a very complex, and often confusing, conjunction of missions across the system and within each of the three universities. This has made many decisions (e.g., resource allocation, facility planning, faculty selection, faculty workload) more difficult than formerly was the case and has resulted in confusion among the faculty and deans and directors.
3. Withdrawal of recognition of the community college faculty union caused a long-lasting deterioration of relations between the administration and the faculty. Thus, I believe, that the very difficult labor relations that characterized the 1990's for the University of Alaska were the result of this decision, not the restructuring itself.
4. As the unionized former community college union faculty mixed increasingly with non-unionized faculty, barriers between those two groups of faculty have been reduced. However, there remain issues between the two faculties related to workload, promotion and tenure criteria, and the status of their respective roles in higher education in Alaska.
5. As the university is now in the first stages of getting back on track after a 10% state funding increase last year, we are growing. But in response to a different set of environmental factors, we find ourselves consolidating once again. This time, however, it is to be more accountable, to be quicker and more coordinated in our response to the needs of our state. To this end, we have recently enhanced our statewide coordination the following programs:
  - UA Corporate Programs
  - UA Military Programs

- Distance education programs
- K-12 outreach
- Vocational education programs
- Health professional's training, and
- Research administration

This time, however, the faculty are in the thick of the process and withdrawal of union recognition is not on anyone's list of ways to move our university forward.

### Conclusion

In closing, I leave you with a question:

Since the source for organizational change in higher education generally is external to academe, thus suggesting that change is at least out of our control and likely inevitable, how can we (1) enhance those internal and external conditions that would support our progress, and (2) mitigate those conditions, again both internal and external, that would predict our failure?

Thank you.

### Sources

O'Rourke, Patrick. "Restructuring As a Way of Life: Alaska." Restructuring Higher Education: What Works and What Doesn't in Reorganizing Governing Systems. McTaggart and Associates. San Francisco, Jossey-Bass: 103-130.

Redman, Wendy. Personal Interview. February 2001.

Rogers, Brian and Thomas Gaylord. "Restructuring the University of Alaska Statewide System of Higher Education." Annual Meeting of the Society for College and University Planning, Toronto, 1988.