

# MEMO

**DATE:** December 19, 2014

**TO:** College Leadership Council

**FROM:** Cheryl Jensen, President

**SUBJECT: Moving Forward with “Made at Algonquin”  
Responsibility Center Management**

In my recent report outlining the draft themes highlighted during my listening tour, some respondents chose to highlight how the organization is structured as an important area of focus. It is something that I have been giving much thought during these early stages of my Presidency.

Empowering our academic leaders to make the decisions that are right for their teams is one way I feel we can make Algonquin College more entrepreneurial and more innovative. Too often we hear of examples where a faculty member or a Chair has an innovative idea to improve their program, their department, or their school, and the message back to that person is, “Great idea, but we have no money for it.”

As I mentioned yesterday in our College Leadership Council meeting, the Responsibility Center Management model (RCM) moves key program decisions from a central governance model to a more decentered model. In an RCM model, Deans take a more pro-active role as stewards of their programs in both the spending and revenue components of their budget. Going forward, when those great ideas are presented, Deans will have more leeway in determining which ideas to fund and support, guided by our principles, policies and guidelines.

RCM is a different way of doing business. It builds on the good work that we have already been doing, and I see it as an enhancement of that work. It gives Deans the financial results and information needed to make decisions. We have that seen in over

25 years of practice at institutions of higher learning. The RCM model promotes strong leadership, budget optimization, program excellence and creative innovation.

Beginning this fall, the RCM Steering Committee will be working on the next phase by working one-on-one with Deans and financial staff in every department to prepare for conversion to RCM in the 2015/2016 fiscal year. The College will transition to a “Made at Algonquin” RCM model through incremental steps including test simulations and adjustments, developing Service Level Agreements (SLAs) between academic and non-academic departments, and operational and fiscal training.

I am very encouraged that President’s Council and our Board of Governors are in agreement that the best way forward to ensure a dynamic financial environment is to empower academic and non-academic departments across the College to determine their best way forward. I encourage you to stay tuned as we continue to move forward together into this innovative and exciting project.