Sustainable University Position Paper

Context and Current Performance

Distinctiveness stands at the heart of our Sustainable University: a community-led distinctiveness that heightens the sense of place for this University and fosters belonging, connection, and tūrangawaewae. The University of Auckland will be a leading civic institution that values and demonstrates equity, accessibility, and inclusiveness. Imagining the long-term future of our University requires a new consideration of its environmental, social, economic, and cultural sustainability.

Driven especially by megatrends such as changing demographics and the new future of work, the University faces the steep challenge of scaling quickly, and being able to change and augment its operations rapidly. The University's current efforts to accelerate the growth of its online and micro-credential offerings are striking a business model barrier for which our frameworks and processes, culture and governance, underutilised data, risk appetite, and legacy enterprise systems are all partly responsible. Profound operating model changes are required for the University to thrive in the new global ecosystem for higher education.

The campus environment
The unique history of the University and its relationship with mana whenua, our place in Tāmaki Makaurau, in Aotearoa New Zealand, and in the Pacific sets us apart. The human experience and usability of the physical campus will be improved, ensuring exemplary equity, inclusivity, accessibility, and safety. Our values and distinctive sense of place, of standing within and identifying as being part of this University, must be emphasised in the appearance, design, and inspiration of our physical environments, and in all of our staff members' behaviour and interactions with students.

Since establishment in 1883, the University has developed and expanded its campuses to accommodate its complement of staff and students and to house the amenities, resources, and equipment they require. The University estate has grown within the constraints of its central-city location, creating its unique character and a different set of opportunities and challenges from institutions housed upon dedicated campus sites. Beyond its Auckland City, Grafton, and Newmarket presence, the University undertakes essential and focused activities at the Epsom Campus, at the South Auckland Campus Te Papa Ako o Tai Tonga, and at Tai Tokerau Campus in Whangārei. The Leigh Marine Laboratory and the Goldie Estate Wine Science Centre support specific research and outreach activities.

Significant changes in learning and teaching, research, the future of work, and digital technologies have created a gap between the nature and usability of our current physical estate and the emerging expectations and needs of our people. Opportunities exist to reimagine space utilisation and realise financial efficiencies — flexible work reduces the need for office space; pedagogical changes demand multipurpose teaching spaces and fewer lecture theatres; specialised research activities require dedicated facilities. A challenge for the University is to maximise the affordance of its physical estate by repurposing, adapting, and enhancing its buildings and spaces to meet future requirements, while preserving our rich heritage and distinctiveness.

Challenge questions
- How can the distinctive sense of place of this University be reflected in our campus environments?
- Imagine the ideal physical campus environment of the future: what are the implications for the current University estate?
- How will we make the most of our central-Auckland campus locations to create stronger outreach, engagement opportunities, and deeper relationships with our communities and stakeholders?
- What will we give up from the current estate so we can have and afford the ideal future campus?

The digital environment
The on-campus experience of the future must be cloaked in a seamless, interconnected digital wraparound. Core to digital is a focus on individual experiences, developing connected virtual and

physical relationships that extend reach and flexibility to provide people with real choices about when, where, and how they engage with the University for learning and teaching, research, and work. Deliberate and responsible decisions to invest in core technology services such as Canvas, Cloud Computing, and Lecture Theatre Recording have positioned the University well. We will continue to adopt emerging technologies where they add value to human experiences, increase student success, improve learning outcomes, strengthen research outcomes, or increase our resilience and operational efficiency.

We have a community of staff and students embracing digitally integrated ways of working. These digital foundations will empower teams to innovate and engage to create value for our communities, and will strengthen digital inclusion through te ao Māori and with Pasifika peoples. Technology will play a key role in reducing the physical footprint of the University by enabling remote working, reusable spaces, and linking the physical and digital together through the Internet of Things and smart buildings.

Current challenges and concerns such as digital equity, inclusiveness, and privacy will take on higher profiles as the University increases its use of disruptive technologies such as artificial intelligence and its collection and use of personal and sensitive data. Opportunities exist to discuss and navigate the ethical and moral issues brought about by the acceleration of digital and technological innovation.

Challenge questions
- How will integrated virtual and physical experiences create an engaging and inclusive campus environment that everyone in the University community is able to experience and benefit from?
- What must the University do to acknowledge and resolve ethical dilemmas arising from digital interactions in ways that build and maintain trust with the community, and ensure digital inclusion?

Environmental sustainability
The University stands at a major junction, needing to recognise the pressing opportunity to envision different ways of consuming and working and a future as a truly sustainable and sustaining University. As critic and conscience of society, the University has a duty to lead the creation of a value system that recognises our place within and our effects upon the environment. Future approaches must deepen community connections and establish strong, effective partnerships with the student body.

Protocols for development and conservation, such as kaitiakitanga (practices of guardianship, protection, or preservation), permeate the Māori worldview and are mutually generative. Mātauranga Māori offers a potential way forward that acknowledges the environmental imperative and the need for a sustainable University.

As an academic institution, and as individual people, commitment to meeting environmental sustainability and carbon emission goals requires coordinated change across all University operations and activities. To become a role model throughout the Pacific and be recognised as a world leader in sustainability, a deeper examination will be required not only of how we operate, but of what we teach, what we research, the capabilities of our graduates, and the influence and partnerships we seek with industry and government.

Since 1979 the University has tracked its utilities consumption. Sizable efficiency gains were achieved over that period, despite significant growth of the student and staff communities and the physical estate: for example, the same quantity of water was consumed in 2019 as 1979. These encouraging results are due partly to newer buildings meeting or exceeding relevant standards, though significant future improvements will result from greener designs, from modern building-management systems, and the Internet of Things.

The University's consumption of paper in 2006 was equivalent to a column of A4 paper the height of 24 Auckland Sky Towers. Consumption in 2019 was less than half that amount, equivalent to 11 Sky Towers, still representing significant quantity, cost, and environmental burden.

Carbon emissions attributable to work-related air travel for staff and for international students must be included as the University adopts the current international standards for carbon accounting. Work-related air travel accounts for nearly half of the University's carbon emissions, and in 2019 amounted to 138 million kilometres, a 10 percent increase on 2018. Balance is required between travelling in person and using alternative techniques to uphold and strengthen our ability to form relationships,

conduct research, and meet with stakeholders and partners. Identifying and articulating our distinctive contribution to this existential threat will define how the University enhances the student experience and the impact on society.

The environmental sustainability of the University also requires examination and understanding of our extended supply chain, of how we manage catering, food, and general waste, the role of the University in the wider city's demand for public transport and roading systems, and the benefits available to society from increases in walking and cycling. Adopting and promoting flexible ways of working, studying, and doing research brings these opportunities more closely into focus. The University Code of Conduct sets an expectation that each of us acts to achieve the goals of sustainability, and this is fundamentally important.

Challenge questions
- What must the University achieve to become a global role model for environmental sustainability?
- What should we focus on doing differently in order to tread upon the earth as lightly as possible?
- How much should our graduate profiles and our research emphasise environmental sustainability?

The enabling environment
Choices about how people, process, technology, and information work together shape how an organisation goes about its business. The resulting operating model influences the efficiency and effectiveness of the organisation and creates an enabling environment that determines how quickly it can adapt and change to meet new expectations, respond to changed conditions, and offer new products.

A series of considered operational and organisational changes has improved the business operations of the University. The 'One University' approach has reduced service fragmentation, increased organisational performance, and lowered transactional costs. Emphasising efficiency and effectiveness has delivered operational and financial benefits, and benchmarking shows us leading amongst our peers. Realising efficiencies has enabled reinvestment in higher-touch student-facing and staff-facing services.

Higher satisfaction has resulted from this approach, with fewer hand-offs, less confusion, and faster service delivery. Higher-volume, more-transactional scenarios such as invoice processing must be efficient and effective and are suited to standardisation. Lower-volume, higher-touch scenarios such as providing advice to students must be adaptable and human-centric and are suited to a more flexible approach.

While standard approaches enable high-performance administrative services, these services must also accommodate end-to-end needs to maximise value and avoid 'last-mile' delivery gaps. To compensate for delivery gaps, bespoke local solutions are often developed. These local variations to standard process can add additional steps or complexity and reduce service quality. In contrast, innovative local variations are encouraged where they differentiate and advance discipline-specific pedagogical and research practices.

Without an end-to-end customer-journey context, our prospects, students, and staff must navigate the University's organisational structure when engaging for service, rather than being treated as whole people. Students experience this tension between service divisions, faculties, and departments, and report being passed from one part of the University to another through jarring, haphazard service chains. Placing people at the centre of our service design is now essential. Assigning decision-making rights to the appropriate organisational level will drive future improvements.

Challenge questions
- How will we create a distinctive, customer-focused, and mana-enhancing service culture?
- How can we operate, structure ourselves, and work differently to accelerate strategy delivery?
- What must we do to establish integrated and high-performance service delivery and be adaptable?

Financial sustainability
The University has maintained a consistent and satisfactory performance, achieving a greater than 3 percent operating surplus for at least the last 15 years. This result has allowed the University to

support investment, maintain its student-to-staff ratio for academic quality, and be a resilient organisation.

We do not have the luxurious resource base of other research-intensive universities, but we have similar cost-mix and intent. Our spending decisions are prioritised towards activities that deliver to the strategy, enhance our organisational model, and match our appetite for risk. Over the longer term, we will examine the core principles by which the University is financially funded, and the areas in which spending is increased and the areas in which spending is decreased.

Financial strategy requires balance between sourcing revenue to maintain activities, optimising investment opportunities, limiting impost on funders, managing debt, and making allowance for risk and unanticipated events. Principles generally applied when considering a financial strategy are:

- *Resilience*: Maintain financial resilience by keeping debt to a level that gives the University capacity to borrow when needed. We own significant assets, but these are not readily convertible to cash.
- *Confidence*: Retain the confidence of our stakeholders, including our Community, Staff, and Funders (students, alumni, Government, research bodies, and philanthropists) through:
  Maintaining a balanced budget by ensuring revenue continues to exceed expenses, and maintain a minimum 3-5 percent operating surplus; and
  Exercising financial prudence and stewardship in managing revenues, expenses, assets, liabilities, investments, and general financial dealings.
- *Intergenerational Equity*: Spread the cost of new assets, such as buildings, across those who will benefit in future from the services the assets provide.
- *Accountability and Transparency*: Be accountable and transparent, ensuring that each dollar is spent as efficiently as possible.

In practical terms, a financially sustainable University must understand and manage its revenue, expenses, and assets. Strategic decisions require trade-offs or adjustments of spending on some activities, including:

- *Revenue*: Are there underutilised funding sources? For international fees, what proportion is optimal? How do we reduce reliance on Government-limited revenue (e.g., PBRF, TEC funding)?
- *Expenses*: Rather than incremental changes, what can we do collectively that is transformative? How do we change our operating model to protect against competitors and sustain cash generation to support strategic investments? Can we teach differently and explore more-efficient academic and course structures. How do we support research effectively as costs grow faster than revenue?
- *Assets*: Do we have surplus assets that we could sell and recycle? Can we provide our mission in a less capital-intensive way?

Challenge questions
- What do we spend on now that we will regret in 2030?
- What can we do to differentiate ourselves from our competitors so that we can use more of our financial resources on our strategic outcomes?
- How do we prioritise spending to focus our resources on high-impact and distinctive activities?