

RIKEN
3rd Administrative Advisory Council
(AAC)
Report

October 21, 2016

3rd RIKEN Administrative Advisory Council Report

The 3rd RIKEN Administrative Advisory Council (AAC) was convened on October 21, 2016.

The AAC was asked to deliberate the following Terms of Reference.

3rd AAC Terms of Reference

1. Evaluate RIKEN's responses to the previous AAC's recommendations.
2. Evaluate the supports to be provided by RIKEN's Planning Offices for research activities under RIKEN's next mid- to long-term plan, and make necessary recommendations.
3. Evaluate the measures being undertaken to improve RIKEN's administrative operations under RIKEN's next mid- to long-term plan.

The 3rd AAC's evaluations and recommendations are as follows.

General Remarks

Following the second Administrative Advisory Council (AAC) of 2014, RIKEN was rocked by a significant research misconduct scandal, and since then has been implementing far-reaching management and organizational changes. By the time of this third AAC, RIKEN's official corporate status has been changed from National Research and Development Institute to Designated National Research and Development Institute. Thus, RIKEN was in drastic inside and outside changes for the past two years.

RIKEN has been expected to produce world-class research outcomes, but by its promotion to the status of a Designated National Research and Development Institute, this has now been made its supreme objective pursuant to the national law. While it is a delightful accolade for RIKEN, the AAC realizes that it places an additional heavier burden on RIKEN's administrative staff.

Undergoing these big transformations, RIKEN is now preparing to implement a number of new strategies that pose a special administrative challenge, including the creation of science and technology hubs, systems for innovation design, and major reform of its personnel systems. RIKEN's administrative staff will be required to devise and carry out effective support measures for these undertakings with the limited resources available to them.

The AAC has been asked to evaluate RIKEN's responses to the recommendations of the previous AAC, and to review the administrative reforms that it is considering for its upcoming fourth mid- to long-term plan. The specific recommendations, described below, have come out of heart-to-heart discussions with RIKEN representatives about the bold administrative reforms RIKEN has recently started. Given the ambitious scale of the reforms, the AAC has strongly recommended to introduce quantitative indices and using them, confirm the effectiveness of the reforms through rigorous and repeated Plan-Do-Check-Act (PDCA) cycles. The AAC considers the quantitative indices and the PDCA cycle to be essentially useful if RIKEN management and the administrative staff at the frontlines of reform are to act effectively.

This AAC expects RIKEN to keep the position of an excellent research institute in the world, and looks forward to RIKEN continuing with its reforms as it strives to become an outstanding role model for other research institutes in the world as well as in Japan.

TOR 1: Evaluation of RIKEN's responses to the previous AAC's recommendations.

1. PR strategies

- (1) Overall steady progress is being made in implementing reforms. The efforts are to be commended.

Risk management has been significantly improved with the enactment of the Regulations on Press Announcements which clearly set forth the necessary rules and procedures, reinforce the checking functions of center and planning office directors, and establish a framework for not only the director of the Public Relations Office but also others on the PR team to double-check press releases and other materials to be made public.

The proactive stance on interacting with the media and advancing the branding strategy "More Visible RIKEN" are not only improving PR but also disseminating RIKEN's management principles to all employees.

- (2) RIKEN's PR activities have to be managed in line with the risk management provisions of the afore-mentioned regulations. It is also needed to know that excessive stringent measures may cause atrophy. Continuous efforts are desired for higher awareness and understanding of the regulations.

It is commended that a variety of approaches are also being taken for internal PR. However, for greater total effectiveness, it is desired to take a good balance of external and internal PR and to implement the PDCA cycle without unduly increasing the load.

The content of RIKEN's crisis communication manual [currently available only in Japanese] should be periodically reviewed and revised as necessary to keep it up to date. Prompt and coordinated actions are crucial in case of emergency and preparedness is necessary even in a usual situation.

For the future, it is recommended that RIKEN should train people already working there to implement the worthy PR strategies for a research institute.

2. Improvements in procurement systems

- (1) Improvement of the online procurement system and examination for effective discretionary contracts are being made. The efforts are to be commended.

Still, it is necessary to clarify the effectiveness of these measures quantitatively and enhance motivation of employees engaged in the activities. It is also necessary to make greater efforts to obtain cooperation of researchers by more explanations.

- (2) It is recommended that RIKEN should expand the online procurement system as quickly as possible. As for the concern that this could lead to a dispersion of orders

and excessive increase in contracts, efforts should be made to enhance the understanding of researchers for bulk orders.

Regarding property management, it is recommended to specify the office in charge of the overall management and provide basic financial materials, such as mid- to long-term renewal plans of the property.

- (3) Joint procurement by centers and branches should be considered, and also the possibilities for bulk procurements by RIKEN as a whole and with other research institutes. It is recommended to consider procurement that covers both initial purchase and maintenance in comparison with the total cost of procurement through competitive bidding and discretionary maintenance contracts.

To obtain comments from various viewpoints, the procurement rationalization committee should include non-RIKEN members.

3. More women in management positions

- (1) RIKEN is actively working to deploy more women in management positions. Since the number of women assigned to senior staff positions (chief class, general-level) is increasing, it is expected that, through the efforts to train such women for higher-level management positions, the percentage of women managers will increase. The efforts are to be commended.
- (2) It is especially important that current situations are adequately assessed. The AAC recommends that a statistical analysis should be made to find reasons for women leaving RIKEN, and that measures be implemented based on the findings of this analysis.

Additionally, for the Committee for Gender Equality to play more actively as the driving force for any measures that are to be put in place, its functions need to be strengthened. For example, Committee members could report the Committee's discussions and proposed measures for gender equality to their own workplace. It is also recommended that in addition to gender equality supports for researchers, there should also be support measures for administrative staffs.

- (3) New strategies for hiring women would need to be considered, including the offer of management positions exclusively limited to women. At the same time, it is important to consider how to encourage current women employees to develop their abilities. This could be done, for example, by defining role models for women in management positions, conducting workshops for selected, promising women employees, and so on. Also to be considered are measures to strengthen the offices responsible for creating good work environments for women.

4. Appropriateness of the size of administrative offices and ways to strengthen administrative operations

- (1) RIKEN has only a small limited number of administrative employees even though the institutional size is very large. They are excellent and carrying out many and various tasks so far. However, Riken would need to reconsider the appropriateness of their tasks and the size of RIKEN's administrative structure so that these valuable human resources are not overloaded.
- (2) As the effects of administrative reformation, the reduction of administrative tasks in which researchers were engaged, should be identified and visualized. In addition, this evaluation should be made in consideration of the effect of changing the employment category of laboratory assistants to indefinite-term employment.

The ratio of administrator to scientist (S/A, that is the number of scientists supported by one administrative staff member) should not be used as an index for international comparison because definitions of scientist and administrative staff member are not the same in the world. It would be better to use other indices, for example, the share of personnel expenses used for administrative staff in the total budget or in the total labor cost, and the outsourcing cost.

- (3) Comments on the outsourcing
Outsourcing may achieve high efficiency in the administrative processes, but it should be carefully examined whether the outsourcing would promote the motivation of employees or enhance the quality of their work. The objective of administrative reform should not be the efficiency itself. It is an endeavor to identify areas where there is a high rate of added value and those where added value is low, and to focus on the high added value area. Thus, administrative reform should be based on the principle of selection and concentration.

The AAC recommends that outsourcing should be introduced only after differentiating, in light of personnel portfolio, tasks that need to be carried out by inside personnel (tasks specific to RIKEN and that are highly specialized) and those that can be outsourced (general tasks that do not require a high level of specialization). Management must take special care not to outsource highly specialized tasks, and prevent a critical loss of knowhow that will make it difficult to return the task to internal staff later.

TOR 2: Evaluation of the supports to be provided by RIKEN's Planning Offices for research activities under RIKEN's next mid- to long-term plan, and make recommendations if necessary.

- (1) As a research institute, RIKEN should carry out administrative reforms to free researchers from administrative work so that they can concentrate on research. At the same time, it is desirable to enhance satisfaction of administrative staff in their work for promotion of scientific researches.
- (2) The present administration structure was introduced at the beginning of the period of the current mid- to long-term plan, which was supposed to be more efficient than

the previous one. However, it has become apparent that the structure contains excessive segmentation which led to a failure to disseminate best practices among administrative divisions. In the next mid- to long-term plan, it is imperative that administrative organizations are restructured to better fit actual circumstances, for example, the numbers of research centers in branches. In addition to the official reporting hierarchies, communications should be promoted by a transparent structure for the sharing of information so as to avoid compartmentalization and detrimental silo effects.

It is also important that administrative staffs at headquarters grasp the operations and volume of work at individual centers and branches in order to evaluate and deploy human resources accordingly.

- (3) Up to now, the effectiveness of the administration system has been primarily evaluated in terms of the ratio of the number of administrative staff to that of research staff. However, with the broader application and reinforcement of rules and regulations as well as implementation of various new strategies, administrative tasks have become increasingly more diverse and complex, and thus it is necessary to consider new criteria for evaluation of administration systems and the staff. The PDCA cycle must be appropriately applied.

Under more stringent rules and regulations, it is imperative to improve efficiency in administration systems with the mutual understanding and close collaboration of both administrative staff and researchers.

TOR 3: Evaluate the measures being undertaken to improve RIKEN's administrative operations under RIKEN's next mid- to long-term plan.

- (1) The AAC commends the many challenges that are being undertaken in the administrative reform.

In particular, it is commended that the importance of communication is especially emphasized. Consolidation of administrative tasks in each branch is important for the enhancement of efficiency and meaningful especially for facility management.

The efforts to identify and evaluate all the administrative tasks throughout RIKEN are to be highly commended. Offering financial incentives to administrative staff is a good idea, but it would be more appreciated to keep a written record of who made proposals, the process by which those proposals were carried out and evaluated, and their results.

The other efforts for rationalizing administrative tasks are all very demanding undertakings and should be made based on their priorities.

- (2) The AAC concerns that there seem to be several different standards in administrative procedures, for example, budget implementation, contract conclusion, and personnel recruiting. This fact implies that although the

headquarter functions were strengthened at the beginning of the current mid- to long-term plan, the efforts of the headquarter to consolidate procedures need to be re-examined and continued.

Additionally, in the process of integrating online systems for administration, special care should be taken to achieve true compatibility among systems for convenience and good performances, not just for show. A priority order should be set in the integration process.

- (3) Concerning the online procurement, it is recommended to consider effective procurement measures such as PFI (private finance initiatives) and leasing as well. It should be noted, however, that the kind of 15-year long-term procurement commonly applied with PFI, may become ineffective by system obsolescence or deflation. As regards leasing, consideration should be given to customizing packaged offerings for stable operation rather than leasing made-to-order systems.

While giving researchers the authority for their direct orders allows greater flexibility, it should be limited to Web-based orders or other measures which can prevent researchers from any possible abuses. On this occasion, the current acceptance and inspection system should be reviewed and improved to make it more impervious to abuse.

Regarding the ongoing reforms of RIKEN's personnel systems

It is important that the reforms of the personnel systems address the need to introduce permanent ways for RIKEN employees to achieve their work-life balance. For researchers, indefinite term and fixed-term employment systems will need to be effectively combined to ensure stability and flexibility of employment. For a while, it is necessary to integrate these employment systems with the traditional permanent employment system.

If the introduction of the indefinite-term employment system for administrative employees (with limitations on work location) is intended to achieve greater productivity, this intent should be clearly conveyed as that will help to enhance employee motivation.

For the future, the AAC recommends RIKEN to consider recruiting administrative employees to fill specialized and skill-intensive positions, in addition to meeting general requirements.

Training for administrative staff should include participation in outside workshops and secondment to other organizations as well as on the inside job training. Furthermore, consideration should be given to offering different kinds of training for permanent administrative employees (who are subject to transfers throughout Japan) who are primarily new college graduates at the time of hire, on the one hand, and for indefinite-term administrative employees who are primarily mid-career

recruits, on the other, as their respective career paths are very different. Training should include programs to improve work skills as well as those for different job positions and coaching sessions.

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