minating the advisory services without an adequate replacement would harm recruiting efforts. Professor of German Peter Burgard, another signer, began his statement by noting, playfully, "It is perhaps appropriate that today is May 1st, given that what we have here is something like a conflict between work force and management." He sought clarification of the regulations Garber alluded to; questioned whether FPG actually provided the "investment advice" it was said to offer; challenged the withdrawal of a faculty benefit without consultation; recounted unsatisfactory, superficial prior interactions with the service representatives of the retirement-account vendors to whom faculty are now being directed; raised concern about the adverse effect on retirements of withdrawing advisory services; and asked for a delay in the termination of FPG so that faculty members could be consulted.

Garber answered the questions only in general terms—for example, without citing the regulations on which Harvard was relying, or addressing any alternatives to funding faculty use of FPG's advisory services. President Faust tried to move the meeting along, but further questions were raised. Ultimately, during the new-business portion of the meeting, Burgard moved that the termination of FPG services be deferred six months and subjected to study by a committee including faculty members. Although his motion received strong majority support from those present and voting, it failed to reach the 80 percent threshold necessary for new business to be considered, so the motion was not taken up for discussion—and the faculty turned to its formal agenda.

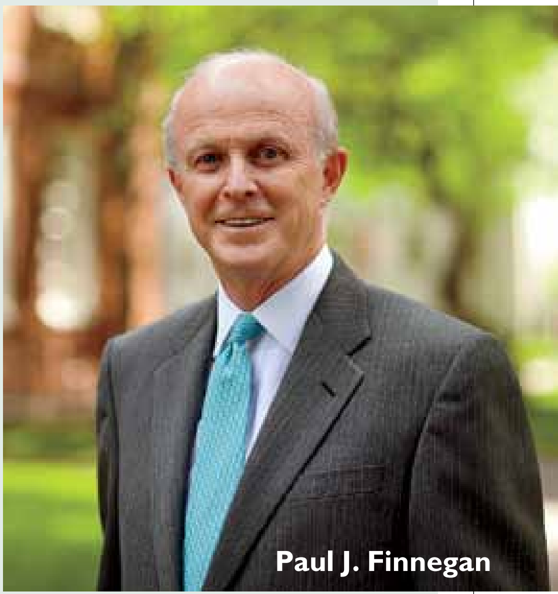
On one hand, the faculty sentiments come as no surprise. FAS only recently introduced better planning for retirement, and incentives for some faculty members to set firm plans to retire. Salary growth was compressed in the wake of the 2008 financial crisis (and the faculty's growth overall has essentially come to a halt). In 1994, during the administration of President Neil L. Rudenstine, when the University was running persistent deficits and imposed changes in benefits, the faculty's reaction was swift and sharp, and relationships were strained in significant ways. Then, as now, faculty members like to be consulted—and consider a memo forwarded just before the last faculty meeting of the year far short of that standard.

On the other hand, the reaction may reflect other, underlying concerns. Garber directs the restructuring of the library system (a subject on which he reported briefly at the end of the May 1 meeting); many faculty members are dismayed by the late-January news of downsizing in library-staff ranks, and the early-retirement package offered to senior librarians on relatively short notice (see "The Libraries' Rocky Transition," May-June, page 50). About a month before the meeting, it became known that Faust would stand for election to the board of Staples, Inc., perhaps becoming the first sitting Harvard president to join a corporate board. (She would earn about $300,000 per year for her service; her 2010 Harvard salary totaled $714,000, plus $161,000 of other compensation, according to the University's tax return.) And the faculty has not had any general report on either the University goals for the forthcoming capital campaign, nor FAS's specific objectives, the sums involved, or when they might be realized.

The FPG dispute thus was doubly illuminating. It reminded all present of the eternal professor-administrator differences of perspective in a university. And it suggested how those tensions might be heightened and focused in the contemporary setting of unfamiliar financial constraint and concern (individual and institutional) and more emphatic administrative efforts to tighten procedures, control costs, and, generally, install managerial disciplines in ways unfamiliar in academia.

Corporation Expansion

Paul J. Finnegan '75, M.B.A. '82, has been elected a Fellow of the Harvard Corporation, the senior governing board, effective July 1, expanding its ranks to 11, en route to the 13 members planned for in reforms unveiled in December 2010; three new members were appointed in May 2011. (He will relinquish his current seat on the Board of Overseers, the junior governing board.)


Paul J. Finnegan

Finnegan, a past president of the Harvard Alumni Association (2006-2007), served during the challenging transition from the presidency of Lawrence H. Summers through the interim return of Derek Bok to Massachusetts Hall and then the appointment of Drew Faust. He thus brings to the Corporation both deeper alumni ties and a closer connection to the Overseers, where he has chaired the committee on finance, administration, and management. He has also been a member of the Committee on University Resources, a group of leading Harvard donors (he is one of the planning committee co-chairs for the forthcoming Harvard capital campaign); reunion co-chair for his College class; and chair of the Harvard Business School Fund. His Harvard perspective is multigenerational: his father, J. Paul Finnegan (now deceased), graduated in the class of 1946. Paul and Mary Finnegan's middle child, Paul M., graduated from the College last March.

Finnegan helped found and is co-CEO of Madison Dearborn Partners, a Chicago-based private-equity firm. He also chairs the Chicago advisory board of Teach for America, and serves on that organization's national board of trustees.

For a full report, see http://harvardmag.com/finnegan-12.

Photograph by Stephanie Mitchell

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