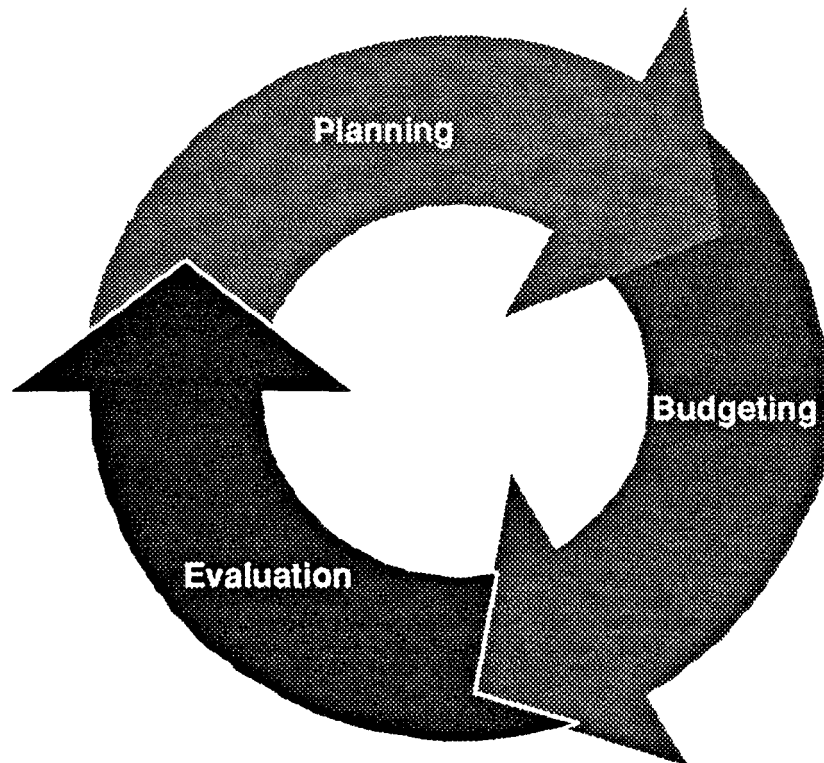


PLANNING, BUDGETING, AND EVALUATION



Office of Planning and Analysis
October 14, 1994

This guide to university planning, budgeting, and evaluation was prepared by the Office of Planning and Analysis under the leadership of Lincoln Kallsen, Halil Dunder, Robert B. Kvavik, Patrick Opatz, Susan Nemitz, and Thomas Scott working with the Planning Office staff. Numerous members of the University community have offered suggestions that have greatly improved the document. We welcome your comments and suggestions as we continue improve its quality, and as a consequence, the quality and effectiveness of planning at the University of Minnesota.

Robert B. Kvavik
Associate Vice President

MMS
2/26/07

TABLE OF CONTENTS

Section I — Introduction and Overview of the Planning Process.....	1
Section II — University Planning Context.....	5
Section III — Specific Directions to Each Unit.....	9
Section IV — Unit Planning Instructions.....	11
Module 1 — Describing Your Unit.....	12
Module 2 — Environmental Context — External.....	13
Module 3 — Environmental Context — Internal.....	14
Module 4 — Strategic Issues & Working Assumptions.....	16
Module 5 — Vision Statement.....	17
Module 6 — Action Plans & Decision Items.....	18
Module 7 — Accomplishments & Performance.....	21
Appendixes	
Attachment A — College Fact Sheet.....	23
Attachment B — Definitions of University Review Criteria.....	25
Attachment C — Optional Guidance for Forming Strategic Directions.....	26
Attachment D — Action Plan Example.....	28
Attachment E — Institutional Decision-Making Processes.....	29
Attachment F — Critical Measures.....	30
Attachment G — Calendar.....	31
Attachment H — Assignment of Planning Responsibilities.....	35

SECTION I — Introduction and Overview of the Planning Process

Institutional, campus, and collegiate planning is an ongoing process of establishing priorities that hones the mission and goals of the institution and guides its actions. It is based upon extensive information gathering and assessment, especially with regard to the quality and performance of academic programs and services, future programmatic needs and opportunities, and the availability of resources.

Characteristics of the University of Minnesota's Planning Process. Planning at the University of Minnesota is designed to have the following characteristics:

- **Continuous and cumulative.** We have opted for a rolling plan rather than a fixed-period plan, e.g., five-year plan (see Figure 1 and Attachment G: planning calendar). Planning does not start anew after every planning cycle. Plans are reviewed annually and amended as needed and as appropriate. A rolling plan affords the University greater flexibility and the ability to respond to major changes in its environment. It is an iterative and learning process that can be responsive to the contextual issues and strategic considerations that will shape higher education in the last decade of the 20th century.

- **Unit based.** Collegiate and administrative unit plans form the foundation of the University's plan. Thus, colleges and administrative units can develop plans that address their unique needs, environments, and constituencies. Responsibility for planning rests heavily with provosts, chancellors, deans, and department heads rather than a central committee or office. Provosts and chancellors must manage the planning for their colleges, set priorities for their area, evaluate performance, and transmit their findings and recommendations to central administration.

A common summary format permits integration and coordination of the unit plans at the institutional level. The planning process uses a common data set and standards and employs reusable, multiple use modules. Planning is guided by institutional goals and objectives.

- **Consultative.** Planning at the local level permits more meaningful participation by students, faculty, and staff. A key objective is to achieve an open, fair, and effective process for the informed development, articulation, and advocacy of collegiate plans by faculty, students, and staff and to create a shared commitment and responsibility for advancing the University's, campuses' and colleges' agendas. Regular feedback is mandatory and provided to all participants.

- **Performance oriented.** The planning process emphasizes the use of critical measures and performance goals. Key objectives are to evaluate the performance and celebrate the success of campuses and colleges in realizing the University's, campuses', and colleges' missions and objectives as well as the effectiveness of their expenditures and human resource allocations. Line officers are accountable for the development and timely implementation of the plans. The planning process is focused on the improvement of the quality of academic programs and services and ensuring the best use of resources.

- **Linked to the allocation of resources.** Academic plans determine how resources are allocated, not only financial resources, but also the time, expertise, and abilities of faculty, staff, and students. A key objective is to anticipate and allocate funds required to sustain and upgrade campus and collegiate programs, including facility needs, and new initiatives within and across the disciplines.

Planning Context (Sections II and III). All campus, collegiate, and administrative unit planning needs to be completed within a University planning context. At the same time, unit planning should be reflective of each unit's history, culture, mission, and past performance.

- **The University Planning Context** (Section II). Minimally four documents help define the University's planning context. They are: the University's environmental scan; *University 2000: Mission, Vision, and Strategic Directions* clarified by "Critical Measures and Performance Goals"; the University's Institutional Plan (to be completed December 1994); and the Biennial Request (to be completed October 1994).

- **Specific Directions to Each Unit** (Section III). This section is developed by chancellors and provosts with input from the Planning Office. Assessment of prior year performance, environmental scanning, interdisciplinary and cross-collegiate initiatives, and previous agreements between the units and central administration form the basis for this section.

Planning Instructions (Section IV, Modules 1 - 7). The planning instructions are organized into three interconnected phases of the planning cycle: (a) **planning**, (b) **resource allocation and budgeting**, and (c) **accomplishments and performance**. Each phase builds upon information modules that are due at different times during the year. The modules are developed by the deans in consultation with faculty, staff, and students; reviewed and approved by the chancellors and provosts; and presented to central administration by chancellors and provosts (with the assistance of deans if requested by chancellors and provosts) to central administration — the President, senior vice presidents, and as appropriate, the Office of Planning and Analysis, Office of Budget and Finance, Minority Affairs, and Facilities Management (see Attachment H for an elaboration of the division of labor among central administration, provosts and chancellors, and deans). Each module is a summary of information abstracted from the unit's detailed plan. Central administration is requesting only that information which is needed for institutional planning and decision-making.

(a) **Planning** (Modules 1 - 6). The planning phase builds upon six modules that will be discussed in detail at the December planning meeting. In addition, discussion will focus on preliminary enrollment targets which will be sent to you separately. Preliminary approval will be given to proposals to start new programs or to discontinue existing programs.

You are responsible for preparing the following information modules (the format, substance, and length of your response to each module is described more fully in Section IV):

Module 1 — Describing Your Unit: A mission statement; an organizational chart; and completion of the college fact sheet.

Module 2 — Environmental Context - External: Identification of the five to seven external issues that most influence your unit.

Module 3 — Environmental Context - Internal: Academic program assessment including the effectiveness of teaching, research, and outreach; evaluation of administrative effectiveness; examination of instructional efficiency; an enrollment assessment; and resource assessment.

Module 4 — Strategic Issues and Working Assumptions: The most important issues your college faces, and the set of working assumptions you have developed that guide your planning. This module is expected to be the single most important item discussed at the December meeting.

Module 5 — Vision Statement: A one page statement of where your unit is going in the future.

Module 6 — Action Plans and Decision Items: Presentation of one page action plans for each of your most important strategic directions using the format provided in these instructions. These should be presented in draft form for the December planning meeting.

Your planning report is due on November 28, 1994. The report should be transmitted to your provost or chancellor with a copy sent to Academic Affairs.

(b) Resource Allocation and Budgeting (Module 6). The Resource and Allocation phase builds upon Module 6 and your response to instructional materials that will be provided separately by the Office of Budget and Finance. Action plans and annual decision items will be discussed in detail at your budget hearing in March, along with other budget matters.

Module 6 — Action Plans/Annual Decision Items: One page action plans in the format provided (see Attachment D); one page decision items (budget and capital projects) in the format provided by the Budget Office (instructions will come under separate cover).

The chancellors and provosts will present campus and/or collegiate budget and capital requests to central administration. Major initiatives will be reviewed, enrollment targets set, decisions made on program start-ups and discontinuance of programs, and capital and budget allocations made for the coming fiscal year (see Attachment E for an elaboration of the decision items).

(c) Accomplishments & Performance (Module 7). Performance and accomplishment report instructions needed to complete Module 7 will be sent to you in April/May. Instructions and report formats are still in the draft stages.

Module 7 — Accomplishments & Performance: Unit progress and accomplishments; critical measures and performance outcomes; and elaboration of the unit's planning process.

Unit performance will be assessed by chancellors and provosts, the senior vice presidents, the Planning Office, Budget and Finance, and Minority Affairs using "Critical Measures and Performance Goals". The results of the performance assessment will be transmitted to deans and administrative unit directors by the provosts and chancellors. These performance reports serve as parameters for the next cycle of strategic planning.

With the completion of this phase, the first planning cycle is complete.

[PLACE CIRCULAR FIGURE HERE]

SECTION II — University Planning Context

All campus, collegiate, and administrative unit planning needs to be completed within a University planning context. Helping to define the University's planning context are: the University's environmental scan that shaped University 2000; University 2000 goals and objectives clarified by "Critical Measures and Performance Goals"; the University's Institutional Plan (to be completed December 1994); and the Biennial Request (to be completed October 1994).

Environmental Considerations. We recognize a number of major changes to our environment that affect planning at the institutional, campus, and collegiate levels. They are presented here by the Office of Planning and Analysis to provoke discussion and debate about the University's future directions. These include, but are not limited to, the following:

- **A rapidly changing resource base for higher education.** Direct state and federal subsidies for higher education have eroded. The University is increasingly dependent on tuition, sponsored research and contracting, private gifts and endowments, and sales and services. Growth in resources appear limited. At the same time, demand for higher education is increasing. American citizens expect more education, better education, and education that continues throughout their working lives.
- **Changing demographics and, especially, an increasingly diverse society.** The University is committed to increased recruitment, support, and retention of students, staff, and faculty from underrepresented groups. The expected demand for access to public four-year education in the metropolitan area will exceed the current institutional capacity of the higher education institutions serving the region.
- **Growing importance of partnerships among education, industry, and government in support of economic development.** The University will continue to be a major investor in and contributor to basic and applied research in support of economic development. Expectations of University involvement in this area will increase.
- **A rapidly changing economy with new needs for a trained and educated work force requiring the modification of educational delivery systems and continuing education.** Key issues here are distance education, the relationship of the undergraduate curriculum to placement, the role of the University in Rochester, the partnership programs, and our investment in practitioner-oriented degree programs at the Master's level. Distance education will build upon multimedia developments with major implications for course design and delivery. The University will face major competition from new educational entities (public and private) operating in Minnesota and from locations outside of the state and nation. The University must carefully define its niches and markets in this changing environment.
- **A global economy and society — a world university.** The University will have increased opportunities to address international issues of concern to the state: health, environment, food and nutrition, population studies, sustainable agriculture, and the alleviation of poverty, hunger, and disease. Awareness of global diversity and the ability to interact with the peoples of the

world will be mandatory. The University must help the state remain competitive in an international market — by providing knowledge about the world and by bringing world resources to its teaching, research, and outreach missions. The University will continue to educate people from all over the world. International information networks will grow dramatically.

• **The demand for institutional cost effectiveness, outcomes, and quality.** A changing resource base necessitates increasing cost effectiveness, an ability to demonstrate to the citizens of the state and to our students the value they receive for their investment of time and money in their education, and demonstrably high quality research, instruction, and outreach. At issue here are:

Internal effectiveness of the University. How can the University of Minnesota, provide a greater return for the resources invested? For example, development and adaptation of technology-mediated learning materials with a built-in capacity to provide assessment are likely to be critical to addressing issues of workload and specialization in the curriculum. Emphasis will be placed on outcomes and evaluation using critical measures and performance goals to assess performance.

The effectiveness of higher education in Minnesota as a whole. How can the University of Minnesota work with the public and private institutions of higher education and other state and community agencies to provide a greater return for the resources invested in higher education? Mission differentiation, cooperative programming, and shared resources will intensify.

The effectiveness of higher education in the North Central region. How can we, the University of Minnesota, work with institutions in Wisconsin, Iowa, and the Dakotas and beyond to provide a greater return for the resources invested in the region? The number of major public research universities may decrease necessitating increased regional cooperation.

- **An increasingly capital intensive system of higher education** requiring massive investment in research and instructional equipment, information technology, and telecommunications. We believe that there can be only one research university in the state. Investment in the institution's infrastructure and facilities is critical. The "networked" learner will radically change how we teach and do research.
- **Outreach, service, and training** to the citizens of Minnesota, the region, and the nation will increase. The University will enhance its commitment to this part of its land-grant covenant, which directly touches the lives of those that support us. Outreach will serve an increasingly complex university constituency.
- **Enhancement of human resources.** A major challenge of the 1990's will be our ability to recruit and retain the highest quality faculty and staff; and to recruit, retain, and graduate increasingly higher quality students in numbers and fields needed for our work force. Emphasis will be placed on life-long learning programs for our employees. Providing competitive compensation for our employees will continue to be a major goal.

University 2000. University 2000 planning identifies six strategic areas that provide the framework for the acceleration of the reshaping of the University. Four of these areas — research, professional and graduate education, undergraduate education, and outreach and access — are the essence of the land grant mission of the University. The University 2000 planning process implies investments and “disinvestments” in each of these areas and their many components in order to increase their excellence, quality, responsiveness, and cost effectiveness, while ensuring the strength of the essential core of the institution.

The two other strategic areas — user-friendliness and diversity — emphasize the need for the institution to improve its customer service orientation and to address the importance of making its resources accessible, in an effective manner, to underrepresented populations.

In the area of **research**, the goal is to sustain the University, within a most competitive environment, as one of the major research institutions of the nation. This is an essential goal for the economic and social well being of the state and its citizens. It is a goal that is intimately tied to the quality of our **professional and graduate programs** for which the University has, within the state, almost exclusive responsibility. University 2000 challenges the University to respond to changes in demands and expectations of society for high quality graduate and professional education.

During the past five years the University has revitalized many of its **undergraduate programs**. More remains to be done. University 2000 directs us to significantly increase retention and graduation rates, broaden participation in research, honors programs, and study abroad, and assist our students, faculty, and staff to set higher expectations and standards of performance. Increased importance will be placed on career counseling and placement.

Outreach activities are an integral component of the University mission and are closely tied to our research and teaching missions. They touch almost every aspect of our state in areas as diverse as health services, communities, families, agriculture and related industries, technology transfer, economic development, and the K-12 educational system. The planned evolution of Continuing Education and Extension to the newly proposed University College, and the development of cooperative partnership programs with community colleges, vocational technical colleges, state universities, and K-12 education represent a redirection of resources that will significantly improve the utilization of assets across the state.

University 2000 directs a major effort toward the improvement of both the physical environment and the administrative structure that support our education, research, and outreach programs. To accomplish this goal, the University will strive for administrative simplicity, effectiveness, and a positive customer orientation (**user-friendly**). The University is committed to minimizing its bureaucratic structure.

Diversity is a sixth strategic area with clearly articulated goals and objectives in the areas of K-12 education, and the recruitment and retention of students, faculty, and staff. Diversity goals are integral to each of the other five strategic areas. Changing demographics and the demonstrably increased needs of under-served populations require a higher level of performance in this area by the University.

For an elaboration of University 2000 goals and objectives, units are directed to the *University 2000: Mission, Vision, and Strategic Directions*.

Critical Measures and Performance Outcomes. The critical measures in each of the University 2000 areas have been identified and performance goals are being established to determine our progress toward their achievement. Performance on these measures will inform the resource allocation and reallocation process (see Attachment F).

The 1996-97 Biennial Request will be distributed to units in October 1994. It represents a major step in the implementation of strategies arising from the U2000 planning process. It is premised on the necessity, within very limited financial circumstances, to accelerate the reshaping of the University in order to increase its benefits to the citizens of the state and the nation, and to maximize the special role of the University of Minnesota as the land-grant research university of the state within, and in collaboration with, the higher education systems of the state and the region. The U2000 planning process and the Biennial Request imply making choices and commitments to direct and redirect resources, not only during this biennium, but over a longer period of time.

A central strategy is to focus, reshape, right size, and reallocate resources within and across units. A major goal is to have a better supported and more effective faculty through an orderly overall reduction of the size of the faculty. The reduction and reallocation of faculty will be guided by consideration of program excellence and demonstrated needs. The core activities of the University must be sustained and it is essential, for our competitiveness, that nationally and internationally ranked departments and programs of the University remain outstanding. This does not necessarily imply either a commitment to growth or to a particular size. It is also essential that the University respond to instructional, research, and outreach needs through reallocation from lower to higher priority needs and opportunity areas.

The Biennial Request proposes investments \$143.7 million over the current legislative budget cap of \$908 million. Approximately one-third of these investments are directed to the physical infrastructure and two-thirds to the human resources area that underpin the educational, research, and outreach programs of the University. It identifies investments and reductions to specific programmatic areas.

The Request asks for an increase of \$87.7 million in state funds, an increase of tuition of 4.8%, an increase in other revenues of \$1.5 million, and an internal reallocation of \$28 million. This scenario assumes a 3.4% increase over the current compensation pool (wages and benefits).

SECTION III — Specific Directions to Each Unit

This section will be developed by the chancellors and provosts with input from the Planning Office. Included in this section are assessment of past performance and expectations for future performance; cross collegiate and interdisciplinary initiatives, within and across campuses and provostial areas; a summary of previous agreements between the units and central administration and/or the chancellors or provosts office; unresolved issues that arose in the previous year's planning and budgeting hearings; comments and responses by the central planning office in regards to the college's strategic plan; and other issues of concern to the chancellors and provosts.

Central administration will maintain and send copies of documentation of agreements negotiated in the planning and budgeting process and meetings. These may include commitment of resources, agreements on enrollment targets, or negotiated university initiatives being implemented by a collegiate unit or campus.

This year you may receive comments and requests from the chancellor or vice president you report to, based on your efforts from last year. These letters should arrive in October, and you should include a copy of this letter with the submission of your materials that are due on November 28, 1994.

SECTION IV — Overview of Planning Modules

Module 1 — DESCRIBING YOUR UNIT
(1-3 Pages)

COLLEGE STRUCTURE

Mission
Organization
College Fact Sheet

The unit's description of its structure should be brief and allow someone familiar with the University but not familiar with your unit to understand your unit quickly and easily. Though your unit may wish to include other information as attachments, this section should include a mission statement, an organizational chart, and significant facts that will help readers understand your college.

Mission Statement: The mission statement should state the major purpose, role and scope of the unit; identify key stakeholders and/or customers; reflect the unit's philosophy and core values; and give indications as to why the unit is distinctive or unique. The mission should also give administrators guidance in decision making (if the mission can support any proposed project, the mission statement is too broad).

Organization: This section should include an organization chart or tables, showing administration, departments, research centers, and the reporting lines that connect them. A list of programs and/or key areas of inquiry that are associated with each department, center, or college as a whole would be helpful.

College Fact Sheet: This section consists of a data display (common to all units), detailing size and efficiency indicators for your college (see Attachment A). This sheet will be provided by the Planning Office. The unit should include comments on any corrections that need to be made to this sheet, and provide any further explanation needed to ensure proper understanding of these data.

The unit is asked to provide projections for 1995-96, 1996-97, and 2000-01 on the following items found on the data sheet (see data sheet for instructions — Attachment A):

- FTE tenure and tenure-track instructional faculty
- Fall student headcount (by level)
- FYE equivalent students taught

**Module 2 — ENVIRONMENTAL CONTEXT — EXTERNAL
(1-3 Pages)**

EXTERNAL ENVIRONMENT

Social/Demographic

Technological

Economic

Political

Competition

The analysis of the external environmental context explains the opportunities and pressures you face from the outside world. Each unit will likely organize this section in a different manner. We are suggesting five broad areas that you may wish to consider as you survey the external environment, but you should not feel constrained or limited by these areas, nor should you feel that your unit must answer every question presented. We expect that you will develop your own format in describing your external environment. Your unit-specific issues may combine or cross the categories listed below.

You should consider the University planning context, both short term and long term trends, and local, state, national, and international perspectives. You should also assess how these external issues impact your core research, instructional, and outreach missions. This section will help the reader understand the specific, unique external issues you face as a unit. While this section is likely to be much longer in your full strategic plan, for this summary we are asking you to limit your discussion of external pressures and opportunities to 1-3 pages. **You should concentrate on five to seven external issues that most influence your unit.**

Social/demographic: How are demographic changes likely to affect your college? How do diversity issues affect your unit? Are there social changes that your college can take advantage of or that pose threats to your college?

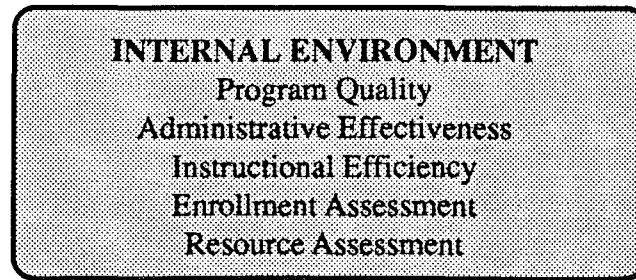
Technological: How do changes in technology affect the delivery of your research, instructional, and outreach mission? Specifically which areas of technological advancement are of interest or concern to your unit and why?

Economic: Are there economic trends that could help or hurt your unit? What is the trend in external funding in the fields represented by your unit? Are there new sources of revenue that can be accessed by your unit, or existing revenue streams that can be enhanced?

Political: How can your unit respond to and shape political trends today and tomorrow? Are there “hot” areas where your unit can direct energy and resources? Where can you demonstrate value to the State of Minnesota, the nation, and the world? What political trends pose opportunities or threats to your unit?

Competition: Who is competing with you for students? For faculty? For research dollars? Are there market niches that your unit is particularly well positioned to enter? Are there areas in your unit that need redirection in light of competition? Include both public and private sector organizations in your analysis.

**Module 3 — ENVIRONMENTAL CONTEXT — INTERNAL
(3-5 Pages)**



The analysis of your unit's internal environment is likely to be a more time consuming, consultative process than the analysis of the external environment. The internal review process should be completed in whatever manner is consistent with the unit's administrative structure, history, and culture. **Chancellors, provosts, and deans have discretion regarding how much of this section should be detailed in writing, given where they are in the process. However, you should be prepared to discuss this entire section at the Fall planning meeting.**

Academic Program Quality Assessment.

Academic Programs: Teaching, Research, and Outreach Effectiveness. A major component of academic program quality is the effectiveness of the unit's teaching, research, and outreach. You should be prepared to discuss strengths and weaknesses in each of the core missions of the college.

The review of academic programs is essential to the collegiate strategic planning process. Before a college can determine strategic directions, it must assess the current standing of its programs. Each unit should assume it has flexibility in the method of program assessment, but should keep in mind the long-standing University review criteria of quality, centrality, comparative advantage, efficiency and effectiveness, and demand (see Attachment B for definitions). The college should ask the following questions about each program or its sets of programs:

- What is the overall quality of the program? Should it be improved?
- Is it central to the role of the college, the institution, and the state?
- Does it have a comparative advantage over similar programs?
- Is the program being run effectively and efficiently?
- What is the demand (present and future) for the program?
- What are our strengths? Which programs are our strongest?
- What are our weaknesses? Which programs are our weakest?

You should be prepared to give a status report on your programmatic areas, summarizing their overall quality, strengths, and weaknesses. You may wish to organize your response using charts or tables.

Diversity. Each unit should be prepared to discuss its current status with respect to its diversity goals.

Administrative Effectiveness: The unit should report on its administrative structure and efficiency. For example, a unit should:

- Review the quality of its administrative structure and functions
- Review the effectiveness of internal and external communications
- Explore opportunities to re-engineer critical administrative processes
- Review costs of management (what percentage of total college expenditures should be for administration?)
- Review non-mission activities

Instructional Efficiency: The unit should examine and report on areas where productivity enhancement possibilities exist. Examples of areas might include:

- Curriculum restructuring
- Class size analysis
- Course and program duplication analysis
- Summary of faculty workload policies
- Computer-aided instruction

Enrollment Assessment: The unit should examine its historical and projected enrollment patterns. Areas that might be examined include (as applicable):

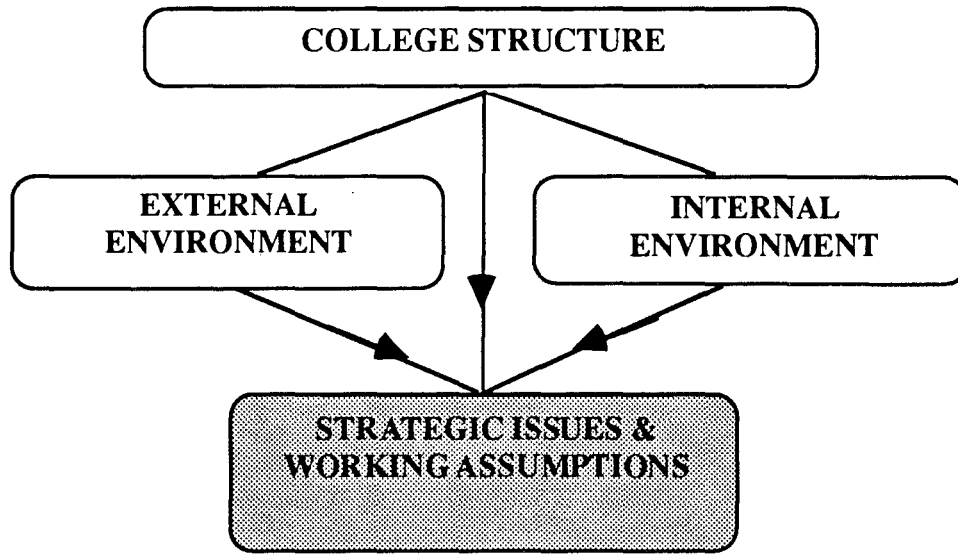
- Quality of students in your programs
- Capacity of your college to educate additional students
- Historical pattern of FYE student enrollments
- Full-time vs. part-time student mix
- Graduate/advanced professional student vs. undergraduate student mix
- Patterns of diversity enrollment and graduation rates among your programs
- Patterns of international and non-reciprocity state enrollments

Resource Assessment: Units should assess broad areas of resources (e.g., financial, supplies and equipment, space, services from administrative units, etc.). These assessments should not concentrate on specific requests for resources, but rather be a broad discussion of areas you believe your unit and the University must commit or reorganize resources towards in the future. You should discuss:

- The adequacy of current resources
- The need for new resources in specific areas
- The need for service enhancement for University administrative support units
- The adequacy of services provided by administrative units

Alumni Relationships and Development Activities: Units should assess the strength of their alumni relationships and the promise and performance of their development activities.

Module 4 — STRATEGIC ISSUES & ASSUMPTIONS
(1-2 Pages)



This module is intended to give the reader a concise overview of the strategic issues and working assumptions that guide the formulation of collegiate action plans. The summary should be forward looking and not constrained by near-term budget considerations.

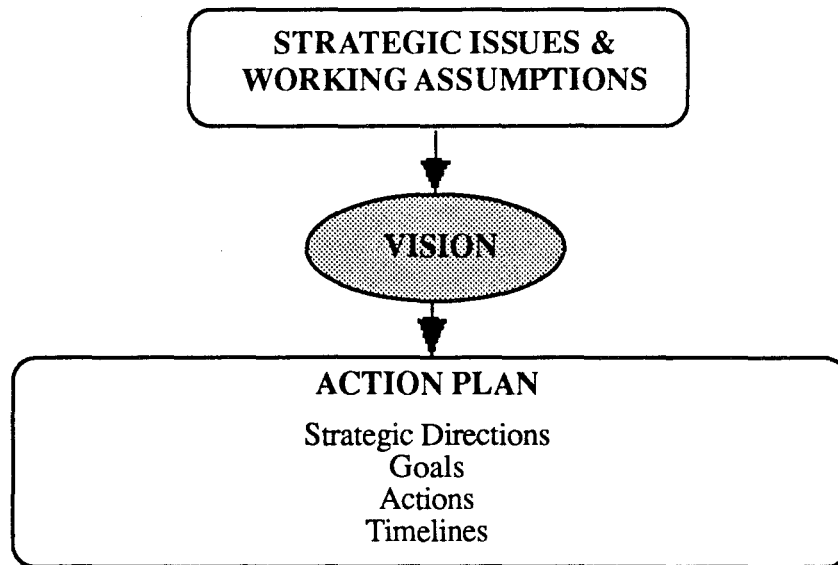
Strategic Issues: Mindful of the University-wide planning context, strategic issues will come from your synthesis of your current structure, external environment, and internal environment. The questions to ask are: (a) how does the external and internal environment specifically affect the unit; (b) are there major shifts in the intellectual and academic directions within and across the disciplines represented by the unit; and, (c) what are the fundamental policy choices facing the unit?

We believe it is essential that you help us understand the specific strategic issues with which you are faced. Though these issues may seem self-evident given your environmental scan, it will be helpful for those less familiar with your unit to list explicitly the critical issues the unit is debating and the strategies the unit plans to use to address them. Action plans (later in these instructions) will give your unit the opportunity to formulate responses to some of the issues you list here.

Strategic issues are not temporary problems or crises. They are longer-term, often structural decisions that require policy choices. Examples might include: "Our programs and curriculum are focused on full-time students, yet most of our future demand is likely to come from part-time students". "A major paradigm shift is occurring in field X requiring a major recruitment effort and redesign of research and instructional facilities".

Working Assumptions: Your working assumptions include opportunities, constraints, and paradigms that influence your strategic planning. They should be reflective of your mission and your external and internal environments. Please list the assumptions you are working under as you develop strategies to move your unit forward. For example, you might wish to state assumptions regarding the instructional models you will use in the future, research facilities required, financial requirements, and the stakeholders you must serve.

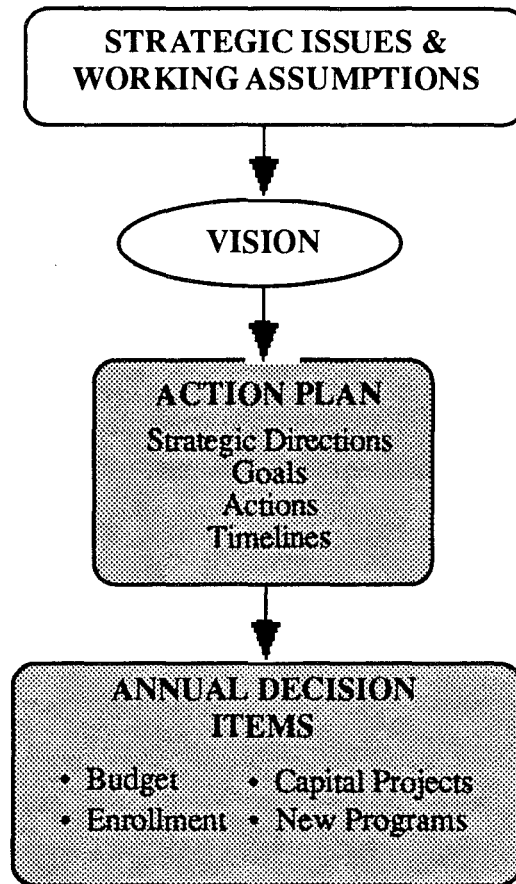
Module 5 — VISION STATEMENT
(1/2-1 Page)



The vision statement should be a brief, forward looking statement, explaining to the reader in broad terms where you would like your unit to be in the year 2000-2001, what your unit might look like, what it might be doing, and how it might change.

Development of a vision statement can be done within the confines of the consultative planning process, or it might be the personal vision of the dean or chancellor of the unit. Regardless of how it is arrived at, the vision should be achievable given your current context, and your action plans should help your unit achieve this vision. Your vision statement should be no longer than one-half to one page.

Module 6 — ACTION PLANS & DECISION ITEMS
(5-7 Pages)



Strategic Directions & Action Plans. In this section, please present a prioritized list of your unit's five to seven most important strategic directions and action plans. We are especially interested in directions that have consequences beyond your unit. These include strategic directions that:

- 1) have an impact on other units of the University (academic as well as administrative support units);
- 2) require the allocation of additional resources through other processes (e.g., capital or budget);
- 3) have consequences for tuition revenue (e.g., enrollment); 4) impact diversity agendas; or 5) are program additions or deletions. We assume that we can refer to your full strategic plan for greater detail and broader discussion of all of your strategic directions.

This information will be used to:

- communicate to the chancellor or provost the primary objectives of the unit for the future;
- help the chancellor or provost and Academic Affairs understand the actions the unit is prepared to undertake in response to the critical issues raised in the environmental assessment;
- assist the President to make strategic decisions for the entire institution;
- clarify the University's strategic directions in support of diversity; and

- aid decision-making in other institutional processes (i.e., budgeting, enrollment management, and capital planning) and help chancellors, provosts, and central administration anticipate changes in programs, facilities, needed resources, and responsibilities for administrative units.

For each strategic direction, list the **goals** you are trying to achieve and the **actions** needed to realize your goals. These items, which are described below, should be submitted in the format shown on the following page.

Strategic Directions: Broad statements that show where the unit is going as it pursues its vision. They are the college's planned responses to issues surfaced in the strategic issues and environmental analysis sections. Strategic directions are not necessarily equivalent to the U2000 areas (i.e., research, graduate/professional instruction, undergraduate instruction, outreach, diversity and user-friendly environment). A college's strategic directions are unique to that college's vision. Each college should develop strategies that are particular to their college yet consistent with the institutional planning efforts. Please show how your strategic directions relate to the U2000 strategic areas.

Goals: The intended outcome of the strategic direction. They should be consistent with the college's mission and vision. They should be achievable and assessable.

Actions: The activities required to advance the college toward achieving the goal. The actions and achievements should be listed for each of the three time periods in the table on the following page.

Colleges must address their goals and actions plans for diversity in this module. Attachment C has further information to assist colleges in developing action plans. Attachment D has an example of an action plan.

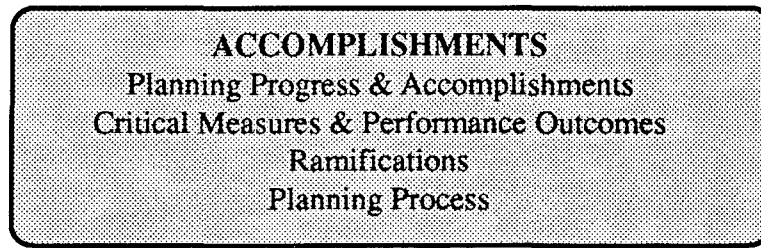
Annual Decision Items. The actions included in the FY1996 section are the specific changes in enrollments, programs, and resource allocations required to follow through on the Action Plan. This is a primary link between the planning and budget process. Issues raised in this module will be the major focus of the budget hearing. Your unit will develop annual decision item requests as part of the appropriate resource allocation process and capital planning process (refer to Attachment E for further description of these processes).

ACTION PLAN TEMPLATE

Strategic Direction:
Goals: <ul style="list-style-type: none">•••
<u>2000-01</u> Actions: <ul style="list-style-type: none">•••
<u>1996-99</u> Actions: <ul style="list-style-type: none">•••
<u>1995-96</u> Actions: <ul style="list-style-type: none">•••

(See Attachment D for an example of an action plan.)

Module 7 — ACCOMPLISHMENTS & PERFORMANCE
(2 Pages)



The final annual step of the planning process will be an opportunity for each unit to summarize its accomplishments, how it has progressed toward achieving its strategic directions, and its performance in regard to the Critical Measures and other collegiate/unit indicators. Detailed instructions for a performance report will be provided to the colleges in May in anticipation of a report due in July. While details of the accomplishment and performance report have not yet been finalized, they are likely to include the broad areas described below.

Summary of Progress and Major Accomplishments: Units will be asked to submit a summary of the significant achievements of the college over the past year. Units should detail progress on their strategic plan. Units may also wish to report distinguished awards and honors for the entire college, a unit within the college, or individual faculty, students, or staff.

University Critical Measures and Performance: As shown in Attachment F, critical measures and performance goals are being developed in eighteen areas. With the possible exception of “overall satisfaction of Minnesota citizens” and “facilities”, these measures are viewed as appropriate at not only the institution and campus levels, but at the collegiate level as well. In some cases, the data for colleges will be collected and reported at the institutional and/or campus level (e.g., “direct instructional expenditure per student”), whereas in other cases the data will be generated and reported primarily at the college level (e.g., much of the data in the student experience category).

Collegiate Performance Measures: Colleges should develop additional indicators or measures as needed to supplement the critical measures developed at the institutional level. In some cases, these measures will cover areas not included in the institutional critical measures; in other cases, they may be sent forward by the college to substitute for an institutional measure that is not meaningful for important areas within the college (e.g., for the Humanities, where the institutional measure of sponsored funding will not be a meaningful measure of performance). Collegiate measures, including baseline data and future performance goals, will be reviewed during the Summer evaluation phase; in subsequent years, this section would also show collegiate results for these measures.

Ramifications of Strategic Directions: If the college is unable to carry out the actions or meet the goals set out in the strategic plan, explain what effect non-performance will have on the college. Deans, provosts, chancellors, and central administrators will be held accountable for the accomplishment of their strategic directions.

Planning Process: Colleges have considerable discretion in determining the specific process they wish to use in carrying out their strategic planning. A diverse group of stakeholders (i.e., faculty, students, and staff) within each of the units must be continually involved. Campuses and colleges should include a brief summary of the planning process used within the unit, including patterns of participation by stakeholders (i.e., who participated, how they participated, and how they were selected). The University Senate explicitly mandated broad participation and the reporting of participation in unit planning.

Attachment A — College Fact Sheet

This Attachment provides you with background data that is specific to your college. The information has been prepared by the Planning Office.

In the shaded boxes on the next page, you are asked to provide projections for 1995-96; 1996-97; and 2000-01 for the following:

- FTE tenure and tenure-track instructional faculty
- Fall student headcount (by level)
- FYE equivalent students taught

The student data supports our enrollment management effort; all of the data support our capital planning.

You should also use this an opportunity to comment on any corrections that need to be made to this sheet and provide any further explanation needed to ensure proper understanding of this data. Correction to the data will occur during the planning meeting and not at the budget hearings.

Attachment B — Definitions of University Review Criteria

Quality, Centrality, Comparative Advantage, Demand, Efficiency and Effectiveness

Quality refers to the level of excellence aspired to and currently provided by academic programs and service units. This measure is ultimately a question of how well the values for which the University stands are expressed in its activities — in free inquiry, effective learning, and useful service to the citizens of the State. The outcomes of research, teaching, and public service/outreach must be considered — the professional standing of our scientists, scholars, and artists; the impact of their work on their disciplines or fields, and/or on our society; the success of our students as students and in their personal and professional lives; the satisfaction of those served by the University.

Centrality for the academic disciplines is evaluated in terms of its contribution to the mission of the University of Minnesota. Centrality of research, instruction, and outreach represents a program's contribution to a coherent whole which helps to sustain and stimulate related work elsewhere in the University. With respect to instruction, centrality also addresses the degree to which a program is an essential component of a challenging education that taken as a whole is intended at the undergraduate level to communicate an understanding of the major ideas and achievements of humankind and a sense of the values of different cultures and ages; at the graduate and professional levels, centrality in instructional programs extends this commitment beyond communicating the major ideas and achievements of humankind, to an expansion and deepening of knowledge, and to furthering its utilization for society's welfare. In another sense, centrality means furtherance of the University's central values, including academic freedom, affirmative action, and diversity. Programs directed toward the preservation and strengthening of our adherence to those values are, to that extent, central to the University's overall mission.

Centrality for the state is the degree to which programs do or could appropriately and effectively respond to economic and social needs and objectives of the state.

Comparative advantage is about the unique characteristics that make a program particularly appropriate to this University. It is not sufficient that programs meet an important local or national need, or that they be unique within the State. Many important programs can and should be the responsibility of others, in Minnesota or elsewhere. What is the rationale for the program at the University of Minnesota?

Efficiency concerns the use of resources and whether they achieve desired outcomes in a cost-effective manner.

Effectiveness concerns the degree to which agreed upon and desired results are achieved.

Demand can be measured in the number of applications, quality of acceptances, services performed in support of other programs, degrees awarded, instruction of students or research undertaken for the solution of pressing problems of society.

Attachment C — Optional Guidance for Forming Strategic Directions: Developing an Action Plan

Strategic Directions. Strategic directions describe the actions necessary to achieve the goals described in the college's vision statement. Strategic directions should be consistent with the unit's mission statement and should address the issues identified in the college's environmental analysis (e.g., target population to be affected).

A college's strategic directions are unique to that college's vision. Each college should develop strategies that are particular to their college yet consistent with the institutional planning efforts.

Strategic directions should lead to an elaboration of actions to be taken to achieve a specific goal. The college should be able to assess whether or not the strategic direction has been successful. To assist them in monitoring their progress, each strategy should have associated with it one or more standards of attainment for purposes of evaluation.

The strategic directions should be realistic and attainable. Further, they should be worth achieving. Does attainment justify the effort and resources required to reach it?

The college may wish to organize their strategic directions in terms of the six institutional strategic areas: Research; Graduate/Professional Education; Undergraduate Education; Outreach and Access; User-friendliness; and Diversity. Although you may desire to organize the collegiate strategic directions around the institutional strategies, your strategies are unique to your college and should use language particular to your collegiate strategies.

When developing strategies, the college should also consider the criteria established in the "Restructuring and Reallocation Plan": quality; centrality; comparative advantage; efficiency and effectiveness; and demand.

Goals. What are the unit's goals in each strategic area? These goals are likely to be general in nature, and need not be completely re-written each year. Your unit is likely to have multiple goals for each of its strategic directions. Some of your goals will be immediately achievable, while others may take a number of years to fully implement. Some of your goals should relate to the program and administrative assessments undertaken in your internal environmental scan. In short, goals will differ in scope, specificity, and timelines, but should broadly answer questions related to the purpose of the strategic directions.

Action Plans. Explaining the detail and timelines for achieving the strategies. The college should describe in general terms how it plans to achieve each of the collegiate strategic directions. The action plans provide detailed information on when and how the goals, and ultimately, the strategic directions, will be accomplished. Action plans specify the resources necessary for achieving the goals and indicate a timeline for completion of the project. The action plans provide the link to the budget process.

Rarely will a strategic direction be achievable using a single approach. In order to achieve certain strategic directions, you may need to redirect resources within your college. It is likely that you will have to strengthen or maintain certain academic programs or administrative structures, and downsize, consolidate, restructure, or eliminate others in order to redirect existing resources. You may wish to present these programmatic and administrative decisions in light of achieving strategic directions by asking the following questions:

- Which areas/fields should be **strengthened** (e.g., in order to improve the quality of important programs)?
- Which areas/fields should be **maintained** (e.g., the program already rates well on the criteria)?
- Which areas/fields should be **restructured or combined with other areas** (e.g., the program can be improved or be made more efficient through restructuring or reorganized with other areas).
- Which areas/fields should be **downsized or streamlined** (e.g., justification for maintaining the programs at the current level is lacking, but some level is appropriate, based on the criteria)?
- Which areas/fields should be **discontinued** (e.g., a compelling justification for continuing the program is lacking when the criteria are considered)?

All action plans may not be completed in a single year. Often projects take several years to gather resources, implement, and achieve results. We would like you to lay out projects as fully as possible, including timelines, with the expectation that progress, results, and needed modifications in your action plan will be assessed and evaluated annually.

Attachment D — Action Plan Example

Strategic Direction: To respond to an opportunity in the market, the college will strengthen its graduate curriculum to focus on the practitioner-oriented masters program. This direction responds to the U2000 Graduate/Professional Education strategic area.

Goals:

- To increase the number of students in the college's practitioner-oriented masters programs.
- To place an increasing number of our graduates from these programs into professional positions.

2000-01

Actions:

- Develop and expand off-campus classroom sites in greater Minnesota.
- Expand the practitioner-oriented masters programs into several additional subject areas.

1996-99

Actions:

- The college will establish a new Masters degree in this area and seek the approval of the MHECB through the University program review process.
- The college will develop and establish off-campus classroom sites in area businesses and organizations to accommodate the new students. This will be funded by additional requests to SIP, reallocation of internal resources, and funds from area businesses and organizations.
- The college will add two additional faculty and staff for this program.

1995-96

Actions:

- The college will request \$100,000 from SIP in the budget process to initiate this major change.
- The college will redirect \$100,000 from undergraduate programs to expand the curriculum in practitioner-oriented Masters programs.
- The college will add two new course sections in the practitioner-oriented Masters programs to the existing graduate curriculum.
- The college will begin redirecting existing faculty from the undergraduate programs to the practitioner-oriented Masters programs.

Attachment E — Institutional Decision Making Processes

These are the annual decision items that will be discussed as part of the budget and capital hearings.

- 1) **Budget Decisions:** The Annual Decision Items developed by the college for the Budget Office provide a link between the collegiate planning process and the resource allocation process. They provide the detail of the resources required to accomplish the action plans presented in the planning meeting.
- 2) **Enrollment Decisions:** Academic Affairs, in conjunction with the chancellors, provosts, deans, and the Enrollment Management Committee, will project and establish enrollment levels for the campuses and colleges. Enrollment targets will be discussed at the planning meeting and confirmed at the budget hearings.
- 3) **Space/Capital Decisions:** Capital decisions are made as part of the capital budget process in accordance with the directions provided by the Office of Budget and Finance. Colleges that have included major capital improvements as part of their strategic plans should refer to the Capital Improvements Program instructions for the details of this process.
- 4) **Program Decisions:** Operational plans that include the addition of new academic programs require the approval of the Board of Regents and the Minnesota Higher Education Coordinating Board. The instructions for the review and approval of new programs can be found in the *Revised University Procedures for the Preparation, Review and Approval of Academic Programs*, January 14, 1994.

Attachment F — Critical Measures

In order to guide, measure, and report on institutional, campus, and unit progress in meeting the University's goals under University 2000, critical measures and performance goals are being developed in eighteen areas:

Immediate Implementation:

- characteristics of entering students (readiness and diversity of undergraduate, graduate, professional students)
- graduation rate (undergraduate, graduate, professional students)
- underrepresented groups/diversity (students, faculty, staff)
- sponsored funding
- instructional direct expenditure per student

Implementation by June, 1995:

- student experience (undergraduate, graduate, professional students)
- post-graduation experience (undergraduate, graduate, professional students)
- scholarly, research, artistic accomplishments
- responsiveness to compelling state needs
- overall satisfaction of Minnesota citizens
- faculty and staff recruitment, development, satisfaction, retention
- facilities
- resource development

Longer-term Implementation:

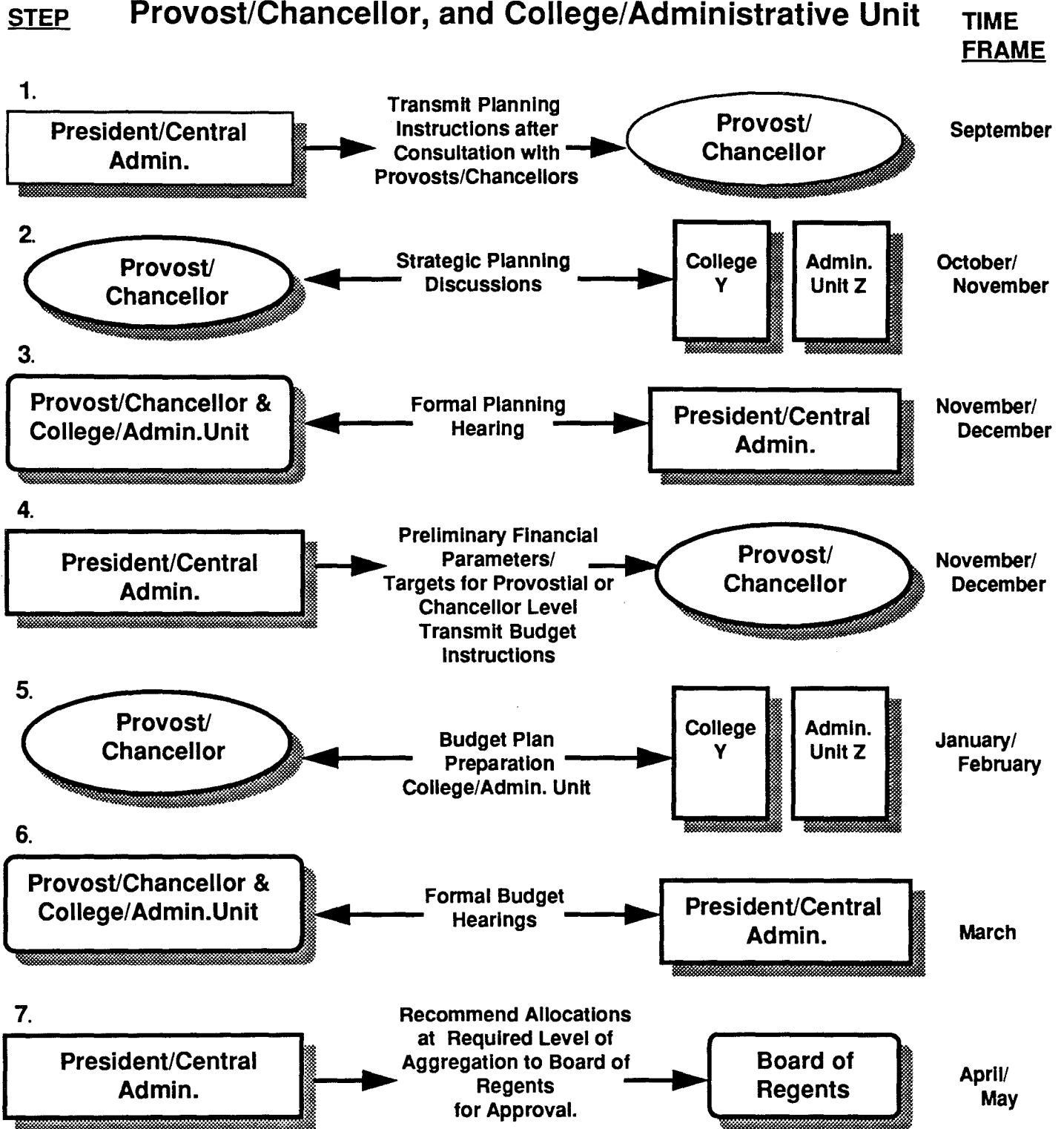
- reputation of research, undergraduate, graduate, professional programs
- interdisciplinary/applied programs and activities
- outreach and public service
- responsiveness to market demand
- customer service/streamlining

Work began on the first five areas in June, 1994 and will be approved by the Board of Regents in November, 1994. The next eight areas will be under development during the 1994-95 academic year and the remaining five areas will be developed later.

Attachment G — Calendar

ATTACHMENT H

Resource Allocation & Strategic Planning: Process Flow Chart and Calendar; Responsibilities of the President/Central, Provost/Chancellor, and College/Administrative Unit



* Note: Sr. Vice Presidents have Provost/Chancellor responsibilities for their administrative units.

