

Minutes*

Senate Committee on Finance and Planning
Tuesday, October 12, 1993
3:15 - 5:00
Room 238 Morrill Hall

Present: Irwin Rubenstein (chair), Mary Askelson, David Berg, Michael Hoey, Karen Karni, Craig Kissock, Fred Morrison, Doris Rubenstein, Thomas Scott, Mary Sue Simmons, Dianne Van Tasell, Albert Yonas

Absent: Carl Adams, David Dahlgren, Mark Davison, William Gerberich, Karen Geronime, Roger Paschke, Richard Pfutzenreuter, Susan Torgerson

Guests: Senior Vice President Robert Erickson, Senior Vice President E. F. Infante

Others: None

[In these minutes: The strategic plan; health sciences reorganization (briefly)]

1. Report of the Chair

Professor Rubenstein convened the meeting at 3:25 and reported that the Committee needed to deal with two minor housekeeping items called for in the "Guidelines for Senate Minutes" adopted last spring by the Consultative Committee. It was moved, seconded, and voted unanimously and swiftly to delegate to Professor Rubenstein the responsibility for approving the minutes of the meetings. The Committee also approved the current distribution list for its minutes, subject to the proviso that Committee members should feel free to suggest additional individuals or groups who should receive the minutes.

2. Strategic Planning

Professor Rubenstein then recalled that the Committee is charged by the Faculty Consultative Committee to develop questions for the Faculty Forum with the President on October 21; FCC will review the questions submitted by Senate committees and forward to the President in advance of the forum those it believes most important. He then reviewed the status of the planning process: There will probably be a 3-part document submitted to the Board of Regents consisting of a revised mission statement, five or six broad goals, and fiscal changes that may be needed. There may also be a "critical measures" piece, Professor Scott reported, which will be an effort to compile data about the University and its peers in order to identify problems and create a baseline for measurement over time.

Professor Rubenstein then distributed a copy of one of Mr. Pfutzenreuter's schematics about the planning process. The broad strategic goals (strategic decisions), he noted, are set at the institutional level

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by the Board of Regents. Tactical decisions--the "what" questions--will be made at the collegiate level; operational decisions--the "how" questions--will be made by departments.

One Committee member expressed a concern about the University College concept (hereinafter UC). If the decision about the desirability of UC is to be taken by the Board of Regents in December, the Committee will then be told not to inquire into it because it is a collegiate matter. But that decision, it was argued, must be at the institutional level. If one accepts the proposal that there be a UC, the decisions about it should be at the collegiate level. If one questions whether or not there should be a UC, however, the discussion should be at the institutional level--and to push it to the collegiate level is to acquiesce in the decision without discussion.

If the goals are stated broadly, it was responded, the decision about "how" to implement them will be made later. Right now the question is where the University wants to go, not how to get there; the latter questions must be dealt with by the collegiate units.

What is missing from this process is the carrots, it was also said. For planning to be realistic, there must be financial resources identified to support the goals. Wisconsin, for example, has reportedly identified \$20 million for such purposes. "Identifying" \$20 million and obtaining it may be two different things, observed another Committee member. Mr. Berg volunteered to find out from Wisconsin how they were going to obtain the funds.

Does this mean, inquired another Committee member, that the existence of UC is still negotiable? That has been its status all along, replied another Committee member. But the strategic planning newsletter mailed to the faculty and in his State of the University address the President has spoken of it as a named entity. One need not object to the goal of being a leader in the development of career-oriented educational programs, but the process at this point is confusing.

When the President referred to this plan as a "working hypothesis," Professor Scott said, he meant it. But UC was instantly reified, unfortunately, and has served as the focus for discussion. The President, however, has said the concept is more important: how is the University going to serve the large number of students who are part-time and interested in career-oriented education? There needs to be a serious effort to get back to that discussion and to understand the implications for the colleges. This exchange, he pointed out, has also omitted the role of the clusters, which will possibly be another layer that can be used to address, inter alia, the question of how to do better by undergraduates on the Twin Cities campus. There may a number of people who believe that UC should be established as it has been described, he told the Committee, but it is his understanding that the President wants the problem discussed in broader terms. It would be surprising, he concluded, if the materials presented to the Board of Regents in November and December specifically call for the creation of a UC.

This Committee has spent little time on those more fundamental questions, it was then said--but the issue of implicit approval of UC still haunts the discussion: could it be established without the faculty governance structure considering it?

One vision of the process is that the colleges will prepare plans that will include their own goals as well as address the institutional goals. Each college would come forward with its own initiatives; central administration would then confer with each of them and perhaps designate a group to review these college

proposals, identify priorities, and provide funding for those selected--the administration, in short, would identify the proposals that would best move the University toward achieving the institutional goals. In terms of promoting leadership in career-oriented education, UC could be the way to go--but there could be a dozen BETTER ideas about how to do so.

When the ideas are being reviewed, pressed another Committee member, will there be the number of colleges now established? Or will it be the present number plus the activity being planned by Vice President Allen? He has been ASSIGNED to develop the UC plan and he will seek funding for it. If so, the Committee will have implicitly approved the created of UC. The nomination and identification of units to carry out the strategic plan is an important step.

The governance system will not act on something unless it is presented, it was said, and these discussions are predicated on what has been imagined to date. We must wait to see what Vice President Allen's group comes up with. Nothing has been approved except, at some point, perhaps endorsement of the goal of University leadership in the development of career-oriented education (and there is the possibility that the University may conclude that is not what it should do).

It nonetheless remains a matter of concern that the ultimate answer will be "you approved UC in December"; when the planning groups were approved to carry out the strategic plan, the governance system will be told it implicitly approved a UC when the planning groups included it. One must inquire what the legitimate units are. The Committee has heard from the President that the Twin Cities campus should be bifurcated; it then heard from Vice President Allen that it should be integrated; now it is being told it should not talk about the issue because it has not been fully developed. One can fear that the Committee will hear in March that what it agreed to last October was the establishment of UC as an operating unit. A major decision on bifurcation CANNOT be an administrative detail.

No one now can define what will come out of the planning process, it was rejoined; that process will go from generalities to specifics. When goals are set, a lot of different things can fit under them; they might or might not include UC. The question being raised is the role the faculty governance system will play in setting the objectives and priorities that will be adopted to pursue the goals.

This, it was said by another Committee, is a perfectly legitimate question to address to the President at the Faculty Forum on October 21. The faculty/student role in consultation will come in two ways: through the Senate committees, including any proposals with institutional implications, and through college and cluster planning. But the clusters are going to consist of deans talking to one another, it was said, and there has been no attempt to obtain faculty involvement. That is because, it was replied, most of them have not yet started. But the Committee has heard that there will be an "orthogonal cluster" for University College; if there is, does that mean the Committee has pre-approved something that will be a financial drain on the University?

The question to the President should be about educational goals, not about which students will be in UC and which in the research university, it was argued. How will the University serve students with diverse educational goals, how will it arrange itself to serve them rather than have a "one hat fits all" approach? It is to be hoped that Vice President Allen will start at that level. There is no other way to define students except by their educational goals, it was said.

But by assigning Vice President Allen a commission separate from the clusters, it has been decided there is a different answer to the questions. How the University should organize for answering it is a top-level concept. As long as there is a task force addressing it, it must be dealt with before the clusters do their work and before the collegiate planning is under way.

This is a case of the chicken chasing the egg, observed one Committee member. An idea has been put out to see if it is of value and people are trying to judge it before anyone knows if it has any value--the discussion changed in that it got to operational questions without agreement on the goal. If the Committee believes the charge to Vice President Allen should be the alternative ways the University could address the questions, then it should say so. It should also take the President at his word--that UC is an idea from which the University will back off if appears it will not work.

What is the University trying to do with this plan? It is trying to improve its image and trying to improve the undergraduate experience on the Twin Cities campus (among other things) in the hope that it can better serve the range of student needs effectively--while also remaining a major research university. If that goal is agreed upon, then there must be further discussions about what reaching it will entail.

The Committee then discussed several questions for the upcoming Faculty Forum. It agreed on the following:

- What resources is the University prepared to commit to the accomplishment of these goals and where will they come from?
- What are the roles of the deans, department heads, faculty, students, and staff in the process before the Regents act in December?
- What are the roles of the clusters in sharpening the various goals of the University? Who are going to be the participants in the clusters?
- What are the organizational implications of the use of clusters and the information that will come out of them?
- What will role is the faculty envisioned to play after the setting of these goal statements?

Professor Rubenstein then set forth for the Committee his view of the terms used in the planning process. A GOAL sets direction; there are no priorities among goals, they are not measurable, and they are usually long-term (5-6 years). OBJECTIVES should be measurable and have a time of measurement, someone must be responsible for them, and they are intended to move the institution toward one of the goals. They can be measured on a year-by-year basis, for example. Objectives must be developed by faculty, staff, and students, not central administration; the administration, however, must empower units to achieve goals by providing a clear sense of direction and the resources to accomplish the objectives.

The questions from the Committee, it was said, must include the issue (UC) talked about at length earlier in the meeting. Another Committee member agreed, pointing out that plans must be drawn by the people who will carry them out; Vice President Allen will not carry out the plans for UC and he has no faculty on board; to empower him to draw up plans acknowledges the University will go ahead with UC.

Another question, thus, is:

- To what extent is University College a fait accompli? Simply by virtue of the charge to Vice President Allen?

It was the view of one Committee member that nothing will be accomplished without faculty and staff; if faculty and staff are told by the administration what the plans will be, nothing will happen. That is why, said another, one can doubt UC will fly--faculty see it as an administrative proposal and are likely to vote it down. It is better that Vice President Allen's group look at the alternative ways to meet student needs rather than only one proposal for doing so. Vice President Allen, the Committee was assured, is sympathetic to the idea of trying to identify how to meet student needs.

What other kinds of students are there except degree-seeking students who want to enhance or obtain employment? Why are the job-seeking students pulled out from the research university? This group comprises 95% of students. Enlightenment, perhaps, replied one Committee member; almost everyone wants to be employed and the degree is a pathway. When the President said that career-oriented education is exemplified by the two partnership programs now in place, he refers to programs that prepare students for VERY specific, well-defined jobs. For example, a civil engineering degree, by contrast, presumably prepares a student for a variety of jobs. These partnership programs, another Committee member commented, are inordinately narrow; if one is trained to wire local area networks, and local area networks disappear, the student who is not trained in the engineering concepts that underlie them could not change with changes in technology.

One university president, recalled a member of the Committee, has said that the goal of the university is to train undergraduates for their third job, not their first--at a time when people on average change jobs five times in their careers. But there are clients who want career-oriented degrees, and society needs them. It would be most responsible to supply "vocationally-oriented" students with a sufficiently broad education to take them to their second job, it was said--although how one would accomplish that is not clear.

Can the Committee find out more about the partnership programs? They are degree programs, replied another Committee member, that were created without faculty participation, as far as can be told, that are probably of questionable quality, that could denigrate, in his opinion, the quality of the other degrees the University offers.

3. Health Sciences Reorganization

Professor Rubenstein then reported on the discussion about the Health Sciences at the Board of Regents meeting; he said that some elements of the reorganization will move faster than others. The searches for the two senior health system officers (president and chief financial officer) are to proceed apace; the appointments for the provost and medical school dean will be later, as will a consideration of the relationship of the health sciences to the rest of the University. It was agreed that this Committee would take up some of the issues within the next few weeks.

4. Discussion with Senior Vice President Infante

Professor Rubenstein next welcomed Senior Vice President Infante to the meeting; the discussion returned to strategic planning. Professor Rubenstein asked Dr. Infante to describe what the Board of Regents would be asked to act on at their December meeting.

Dr. Infante began by saying he needed to step back to talk about where the process now stands and what it is reasonable to expect. It is important to recall that the process is not to lead to a DOCUMENT; planning is to be involved with budgeting so that for the next several years budgeting is guided by planning. This process is to be different from that used in the past, and is to include measurable items in it.

The University must agree on a broad strategic direction, the President has said. He also provided a working hypothesis, Dr. Infante pointed out. There are two dangers at hand: first, many will be tempted to jump directly into details without addressing the strategic directions; second, because the financial circumstances of the University are not great, there will be a temptation to turn planning into a budget-cutting exercise.

The process calls for reaching agreement, over the next two months, on the broad directions; planning implementation would then take place over the following months (and years). Dr. Infante affirmed that the document to go to the Board will be in three parts: a brief restatement of the mission, a statement on the key agreements on the broad directions (which will entail consequences but implementation of which could include several alternatives), and the general financial parameters along with some measures. The mission statement will largely be a matter of aesthetics; the primary faculty/student discussions will be devoted to the strategic directions.

If the document on general direction is approved, the administration will then confirm what the colleges and clusters will be doing over the next year or so. And in the shorter-term the colleges will be preparing budgets. Strategic planning MUST inform the 1995-97 biennial request. He has been meeting with legislators, Dr. Infante recounted, and many have asked "what will you ask of us?" The President has spoken of a new contract with the State; legislators are eager to discuss it.

The strategic directions proposed are as follows, Dr. Infante told the Committee. First, each campus must have its own mission.

- For Morris, the direction is largely set but there are two questions: First, is the size of the student body optimal, both in financial and intellectual terms? Would the intellectual quality increase if Morris were to grow? Could the town of Morris support such growth? Second, Morris will need substantial investment in physical facilities--about \$30 million, of which the University will need to provide \$10 million. Spread over ten years, that would mean a tuition increase of \$500 per student per year--and that does not include operating costs. Can a public institution be effective at the level of 2000 students?
- With Crookston, the University has crossed the Rubicon; the experiment is under way. The enrollment numbers look better this year than had been expected. The numbers are needed, however, because the costs are high and the way they are to be afforded is through

marginal increases in tuition income.

- There are also two questions about Duluth. One is about size; Duluth wants to grow, for local economic reasons. Second, Duluth sees itself playing a role in certain narrow areas of research.

- At Rochester the University is in a cooperative endeavor with the other systems but there are knotty questions and the situation could be unstable; to a certain extent the University is not master of its own destiny in Rochester. Community leaders have asked what the University's intentions are; the administration has said the University will act appropriately. In his view, Dr. Infante said, Rochester will have more technical, work-oriented programs in which the University must AT LEAST be involved in through its outreach activities. At most, the University will work with the other systems to do more.

It is on the Twin Cities campus that the largest problems exist. The strategic questions are these: 1) the undergraduate program. 2) in research and graduate education--which are central to the mission and important to the State. 3) the role of the Twin Cities campus in outreach. 4) the lack of a user-friendly environment and support system for students, faculty, and staff (Dr. Infante repeated his view that the Twin Cities campus is similar to the New York Port Authority bus terminal--highly effective and efficient in providing transportation but not a place one feels good about being at).

Research and graduate/professional education are "terribly important"--it is those activities that differentiate the mission of the Twin Cities campus. The President has said the University must remain one of the top 15-20 institutions in the nation and it must retain high quality programs in the graduate and professional arena. This is a period when there will be no new funds from the state or federal government--so the implication is that if the University is to remain in the forefront of research institutions, it must hone its profile and say what it will do, what it will do in collaboration with others, and what it will not do (this is a task the clusters could be expected to perform, later). If it is to remain a leading research university, it cannot be at the forefront in every field.

One could always hope for the best tomorrow, Dr. Infante remarked, but he said he is not that optimistic that the future holds the resources that would be needed.

At the undergraduate level, there are good reasons to be proud of the University--it is an intellectual powerhouse. But it is hard for freshmen and sophomores to avail themselves of it--the University in the Twin Cities does not have reason to be proud of its lower division education. The University must ask what it will do at the undergraduate level. The President has said it is an important arena but feels it is the Achilles' heel of the Twin Cities campus. There are implications if the problem is to be addressed--there must be a reallocation of energy, if not resources, to do things better. There are things that can be done more effectively and efficiently (e.g., this is the first year that the dorms are full because admissions and housing were linked). Dr. Infante recalled spending time with "freshmen scholars"--the best of the best--and all were taking 12 credits. Asked why, they said they had been told to do so by their advisor in order to get comfortable and settle down. Freshmen learn fast! he said--they'll take three courses forever! The separation of advising and faculty is a bad disjunction, he added.

There are also key questions about access at the undergraduate level. The University could do as

Michigan does, and restrict access; others argue that the University must be open. The President has suggested that neither extreme is appropriate but that expectations need to be raised no matter who the students are--so that part-time students know as well as full-time why they are here and what is expected. Students have been all mixed together and the lowest common denominator has been reached--the University is not providing the appropriate guidance or instruction for students who are not at the lowest common denominator. Both components of the population must be dealt with and mechanisms to do so must be crafted. It has been a mistake to discuss the tactic--UC--before the approach is agreed on, Dr. Infante said. The direction must be decided upon first.

There are consequences to selecting directions, Dr. Infante repeated. The University is trying to stay between the extremes--and is being criticized by both ends.

Another issue is the environment of the Twin Cities campus. Appropriate resources need to be allocated to make changes to improve the user-friendliness of the campus and the undergraduate experience.

It is to be hoped that the Board of Regents documents make clear statements on goals, the subsequent process to be used, and the general financial parameters that the plan will be built on.

These comments have been a help, said one Committee member, in that they stepped back and separated tactics from goals and implications. Is it the case that in accepting the goals and implications, he is saying that the strategies to accomplish them are wide open? This is a working hypothesis, Dr. Infante responded; if the directions are agreed on, a mechanism needs to be established to accomplish them--and what those mechanisms will be are up to the clusters. Dr. Infante also confirmed that Vice President Allen has not been charged to consider only one option (UC); the appropriate mechanisms to achieve the ends will be developed over 6 months or a year, he agreed. There are problems with some of the clusters as well, he noted, some running back 30 years. He has no secret plan with any of them, but he intends to keep the issues on the table. In the case of one cluster, he said, it consists of ten "gears," all beautiful and rotating well--but not meshing. In terms of "UC" there will be several activities, and he does not want different degrees or faculty, but the way to accomplish the goal needs to be developed over time.

On the issue of user-friendliness, asked one Committee member, would it not be desirable to expand it to effectiveness in management? Dr. Infante agreed that it should be. One of the big problems at all levels, it was said, is that the University does not have effective management; the failings have become apparent in the health sciences, but they are not limited to the health sciences. Dr. Infante agreed. The failure to come to grips, over 30 years, with problems in one cluster is a failure of management for 30 years to address a serious issue, it was said--and there are a lot of such problems around the University that have been buried rather than decided. They must be confronted and dealt with--and it will be painful to do so.

That is why the clusters have been formed, responded Dr. Infante--some have questions that must be addressed. He is not answering them, but there are questions. It may be that the present organization, in some cases, is the best that can be had--but perhaps not. There may not even be any good answers but the present answer is not satisfactory.

The Committee agreed that it would not meet next week, and the meeting was adjourned at 5:10.

-- Gary Engstrand

University of Minnesota