

Minutes*

**Faculty Consultative Committee
Senate Committee on Finance and Planning
Senate Committee Chairs
August 16, 1993
3:00 - 4:30
Dale Shephard Room, Campus Club**

Present: Judith Garrard (chair), Carl Adams, John Adams, Thomas Burk, Ann Burkhart, Norman Chervany, Mark Davison, Lester Drewes, William Gerberich, Kenneth Heller, Michael Hoey, Craig Kissock, Fred Morrison, Roger Paschke, Harvey Peterson, Doris Rubenstein, Thomas Scott, Michael Steffes, Deon Stuthman, Dianne Van Tasell, Frank Wood, Shirley Zimmerman

Guests: President Nils Hasselmo, Senior Vice President E. F. Infante

Others: None

[In these minutes: President's statement on the Garfinckel case; strategic planning; FCC minutes on last page]

Professor Garrard convened the meeting at 3:10 and welcomed everyone to discuss strategic planning. She announced that this meeting would last until 4:30, at which time FCC would then hold a meeting with the President. She then turned to the President.

1. Statement on the Garfinckel Case

President Hasselmo said he first wished to make a statement unrelated to strategic planning. He had just returned from Sweden and was catching up on matters when the Garfinckel case erupted in the news and editorial pages. He told the Committees that he wanted to make it clear where he stands on the matter. It is, he said, a sad day when a faculty member ends up in federal court because of the kinds of charges levelled in this case. He himself, he told the Committee, has been constrained from speaking about the case because it was a pending legal matter.

It must be absolutely clear, he emphasized strongly, that the University is founded on ethical behavior and principles--and that he will accept almost any charge except one that questions the integrity of his administration.

He had not taken the opportunity to speak out on the important issue of research integrity when the conviction was reported, the President said, and that was a mistake. He told the group that he wants to hear from any of them, in no uncertain terms, when issues such as these arise. They should be unsparing, he added, in telling him if issues are not being communicated in the right way. He and his administration

*These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represent the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

will make mistakes, he noted, but he does not want miscommunication to undermine the changes that the University will have to undertake in the next few years. These will be the most grueling changes the institution has ever faced, and they will be more difficult to accomplish if there are not clear lines of communication.

2. Strategic Planning

Professor Garrard then asked the President to condense into an hour what had been a four-hour presentation earlier in the day to the deans. Mr. Paschke distributed a thick packet of materials that were referred to during the discussion.

President Hasselmo said he wished to speak about the direction of the University, but as a working hypothesis--and he did not wish to dwell on the process at this point. The University of Minnesota of the 21st century is the focus of planning and it will be important to describe the scenario. It may have been, he said, that the extent of agreement on a common vision was overestimated in the past so the direction must be restated--as a working hypothesis, to be tested in the planning process.

The most fundamental issue is the definition of the University. The two most important characteristics are research and land-grant. They do not represent two different institutions but rather two related functions that must be cultivated in the planning process in the context of the history and traditions of the University, the state, and higher education in the state.

Research is the intellectual enterprise within the University; the land-grant dimension is the sharing of that research in different ways (with students as well as beyond the borders of the institution). That sharing must run to all corners of the state; there must be a "virtual" university to the people of the state. The planning process must capture both elements--the intellectual resource plus the massive sharing of the resource with the state.

There have been questions about what "land grant" means, the President observed, and some have perceived it to be in conflict with the idea of the research university and not relevant to the arts and sciences. But virtually all universities in the country are talking as though they have a land grant mission. Originally focussed on agriculture, if land grant were being defined today it would embrace much more and would include sharing the entire intellectual resources of the university.

The University, the President said, must be one of the leading research universities in the country--in what will be a very competitive environment. Dr. Infante, he recalled, has suggested the number of research universities could decline by half, so it will take a lot of effort to stay among the top 10.

The most vulnerable part of the University, the President asserted, is undergraduate education on the Twin Cities campus. Undergraduate education is an indispensable part of a research university, he told the Committee, and the Twin Cities campus is the research component of the University (which is not in any way, he added, to denigrate the roles of the other campuses). The University is continually "beat over the head" about graduation rates, and the steps have not been taken to make the undergraduate experience what it should be.

This problem is not because the University does not have good students or the intellectual resources to provide a good education--the components are there, the University has simply not put them together. It is an urgent matter to use the planning process to define undergraduate education on the Twin Cities campus, which could include making it more selective and recruiting more students from around the country and the world. The University has not recruited very much--it has been a passive receptacle of students to whom it has given a good education. It has not, however, sent those students off as leaders with good feelings about the University. The reorganization of the admissions office should help; admissions should be like the football coach: in the home of every student the University wants to enroll.

The question of enrollment levels, the President commented, is one that was misunderstood with Commitment to Focus. Reduced enrollment is not good in itself, but rather a means to restore the appropriate balance between students and resources.

The University should make every effort to retain its monopoly in doctoral education, the President insisted. There has been some erosion; some organizations are marketing doctoral degree programs using practitioners and perhaps less-than-high-quality practices. Those organizations, however, cannot be ignored, even if they are of questionable stature. The University must market itself as the only institution that delivers doctoral programs.

In the same vein, the University must retain its monopoly in professional programs where it now has a monopoly and it must establish its leadership in programs where there is competition. This will require streamlining and the reallocation of resources.

On the issue of cooperation with other systems, the President noted that some faculty are concerned that the partnership with the technical and community colleges may be contrary to the role of the University as a research institution. Those partnerships will have to be evaluated, he said, but given the need for higher education in the Twin Cities, they are worth exploring.

The land grant dimension of the University, he repeated, requires that there be a "virtual university" or a university in the community. There must be a mechanism to provide access throughout the state to the University's intellectual resources. One such vehicle is telecommunications, which is being exploited by the University's competitors. If the University does not do the same, it will be unable to fulfill its land grant mission; its role is already being encroached upon, to some extent. New means of distribution will be essential, and must include both professional and liberal education. The University will not take the competition lying down, he asserted. It must remain the liberal arts college of the Twin Cities, and it is not in the best interests of the state to have the University's liberal arts education eroded or reduced to second-class status.

Research is the defining characteristic of an institution where the professionals define the critical questions in the national and international community--and help answer them. The land grant role, by contrast, requires that the University be more than a collection of disciplines and professions; it must respond to state needs and its research agenda must to a certain extent be shaped to meet those needs.

For the purposes of the planning process, the President told the Committees, he proposes to divide

the University into a set of clusters within which priorities will be set. Campus characteristics must also be honed. Within the clusters, hard decisions will have to be made about priorities. The University will not be able to depend exclusively on state dollars; tuition and private giving will be important, as perhaps will be new financial arrangements. The process will not take the existing organization or existing collegiate boundaries for granted, he said. Intellectual areas must be defined and then quality and cost-effectiveness must be insured. One cluster at the heart of the University is the arts and sciences (CLA plus part of IT plus Biological Sciences). Other clusters include: the health sciences; agriculture and natural resources; child, youth, and family, and social services; engineering; management, public affairs, and law; architecture and the arts; and the University's infrastructure (the libraries, computing, and laboratories). The clusters will overlap; it may be that a preliminary set will be established and then refined as the planning process proceeds--but they will not be confined to traditional disciplinary boundaries.

One fundamental question that must be answered, the President reflected, is how much turmoil dare the University create? How close to scratch does it dare go? At least as an intellectual exercise, he said, he would prefer to take the fundamental look; constraints may mean that there is no spectacular reorganization, but there could be college mergers and increased interdisciplinary efforts.

It will be important, the President concluded, that the planning agenda be driven by the intellectual traditions of the University. There are in turn, he summarized, two notions that must drive the planning agenda: that this is a research and a land grant university and a community for faculty and students must be created, one that is also accessible to the larger community; that undergraduate education on the Twin Cities campus must be improved, and if the University cannot define improvements, it will continue to be dragged through the mud on graduation rates.

One Committee member inquired about the timetable for making decisions and how strategic planning might affect budget cuts in the current year. The President noted that the 1991 Restructuring and Reallocation plan took a dramatic step based on past planning and is still being implemented. The strategic planning being discussed today is intended for 1995 and beyond, although it is possible next year's budget could be affected by the current planning effort.

There are two parallel efforts underway. One is honing the mission statement and the goals and objectives of the University so that unit and cluster planning can be informed by them. These matters will be before the governance system this fall. Second is the development of a set of directions, a working hypothesis, on what the University will be. Reactions to that working hypothesis will be sought.

In terms of timing, cluster discussions and integration of unit plans in an institutional draft should be complete by February, and the full institutional plan should be available by fall of 1994. After a slow start in planning, the President told the Committee, the momentum has begun to build.

Dr. Infante then explained to the Committee that the planning effort takes place in the context of data (contained in the handout) that all in the University community must understand. He noted some of the data that are "telling measures" about the University and where it must change. One important piece of information is the percentage of students in the upper ranks of high school performance who attend the University, compared with other Big Ten schools; Minnesota is in the lower half of the group.

Also of interest were the results of interviews conducted for the University of key state leaders (political, social, economic) to develop a sense of outsider concerns and views. Four themes emerged:

- There is a high regard for the University and what it has contributed, a high regard for the President and for the faculty (although there are doubts about the balance between teaching research).
- There is considerable concern about whether or not the University is being managed appropriately and tightly--and whether or not it is even possible to do so, given its size.
- The University must narrow itself and focus on quality.
- There was no University-bashing; a constant theme was an insistence that change must occur and that it will be painful.

A survey of employers was also conducted; again, four themes emerged:

- Students who come from the University are pretty good; they have seen no significant change in the students. They are highly competent, but there are shortcomings in their communication and writing skills.
- While the students are good, they do not compare favorably for taking leadership positions compared to students from other universities (e.g., Michigan).
- The leadership and faculty of the University are not good champions for students; they do not know the major employers of their graduates, nor do they care.
- Placement offices are decentralized, autocratic, and unfriendly; it is hard for employers to find an entrance to the University. The University is aloof from employers and students.

The President, Dr. Infante said, has asked him to be a leader in the planning process. He must do so, and he must do so well, he said, and the changes needed will be painful. He solicited participation from the Committee. This is a propitious moment for the University to look at what it is and what it does; in some cases there will be change, in others not, but the University must adapt itself to needs and circumstances.

Asked whether or not the colleges should continue to plan, given the decision to focus on academic clusters, and if the schedule is realistic, Dr. Infante emphasized that the colleges should NOT stop planning. The process did not begin in the last few months and will not end next year; it will be constant. Cluster planning is necessary because if planning occurs only at the unit level, it will be based on the past, not the future. The preparation of documents for the process, Dr. Infante said, is less important than the preparation of ideas, so the February deadline remains appropriate. Dr. Infante also agreed that support and administrative services will also require attention in the planning process, even though they were not included in the data presented at this meeting.

The President observed that the University will not downsize for the sake of downsizing, and in some areas it may have to grow in order to generate the resources the University needs. The University cannot throw itself on the mercy of the state for money; it must structure and size itself so it can do the things it needs to do. One possibility to be considered is increased national and international recruiting.

In constant dollars, Dr. Infante pointed out, the University has lost 12% of its state funding, tuition has increased by 5% as a source of funding, and in real terms there has been a drop of \$51 million, or about 8.8%. This decline requires there be careful planning. Many, he observed, are not convinced that there has been such a decrease in the resources of the University.

Professor Garrard then inquired of her colleagues, apropos the planning effort, if there will be a problem overcoming faculty cynicism; she also inquired of the President and Senior Vice President if employees would see any changes in 1993-94 or if it will be business as usual. Several Committee members expressed the view that faculty members are somewhat cynical and concerned about the drop in resources. Most faculty most of the time, responded one Committee member, do not think about the whole University--they think about their department. If they are short of money, badgered, and morale is low, they have a disheartened sense that planning will make no difference. There are over 3000 faculty, and many support staff, who are trying but who feel that their contract has been violated because they are not given what they need to do their jobs. There is no well-organized way for faculty to think about the entire University; most think in their discipline and how to obtain rewards. There are not enough institutional "attaboy"s to make faculty feel good so they work where they will receive commendation, which may not be in the direction of the needs of the University. It will be a tough job to enlist the troops when faculty members are brought in to do their own work in over 200 decentralized units. Another Committee member said that if the administration wants the faculty behind it, it needs to ask their help in cutting 8.8% in both the administration and the units. By the time of the February deadline, there will have to be hard decisions.

One Committee member said it is a fundamental flaw to say the University will do strategic planning but operate normally until the process is complete; the institution must be managed strategically every day. The 1995 plans will be important but planning must occur constantly. The institution must act tomorrow with its best guess about where the 1995 plan will lead it.

President Hasselmo responded that there has been an unfortunate perception by faculty and staff that Commitment to Focus and the Restructuring and Reallocation plan were not continuous; he sees them as part of the same process, he told the Committee. He agreed that every decision needs to be strategic. Reallocation is one way to handle problems, but not the only way. The University lost \$5 million in tuition income because some units did not meet their enrollment targets--a happenstance that cannot recur, and colleges will be held responsible for enrollment. It is the responsibility of the colleges, not Student Affairs, to find students to fill their seats.

The President noted there will be a Senate meeting on October 4, at which time he will deliver his State of the University address and will try to lay out the directions in which he would like to see the University move. He solicited the advice of the Committee on how best to deal with the morale problem as well as how best to communicate, both internally and externally.

Discussion turned briefly to the graduation rate; note was made that improving it may require changes such as increasing preparation requirements and insisting students attend full time. Many faculty say students are poorly prepared, observed one Committee member, and it is expensive to provide the necessary education once they are at the University. But how can the political problems be dealt with, given the perception of the "open door" and various Regental statements on access? It may be necessary to point out what will be required to obtain higher graduation rates; one could, the President said, set a goal of a 60% graduation rate and then identify what would be required to obtain it. The Board of Regents, he said, is ready for changes at the University; agreement on outcomes could be associated with a hesitance on the means to achieve them.

Professor Garrard thanked the President and Senior Vice President and then adjourned the meeting at 4:30.

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Thursday, August 16, 1993
4:30 - 5:00
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Professor Garrard continued the meeting with FCC members, the President, and the Senior Vice President. With unanimous consent, she closed the meeting for a discussion of the health sciences and continued discussion of planning. She first made several announcements:

- An ad hoc group of FCC members and other faculty will meet with the leadership group of the health sciences other than the Medical School (Richard Elzay, Cherie Perlmutter, and Win Wallin) to discuss the reorganization of the health sciences and its implication both for non-Medical School health science units as well as other University units.
- The President will also meet with FCC concerning the health sciences reorganization.
- There will be a proposal to create a vice chair of the FACULTY Senate; the individual elected would also serve as a voting member of FCC.

The meeting was adjourned, following discussion, at 5:10.

-- Gary Engstrand