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ABSTRACT

Causes contributing to academic program audit and review becoming a means of resource reallocation in higher education are considered, along with principles relevant to its management, and major issues surrounding its development and implementation. The current interest in the audit and review of established academic programs is linked to declining enrollments and budgets. The university is forced to identify and abandon or alter programs or activities that are less essential so that the vitality of that which remains is protected. Organizing principles used in program audit and review in the University of Wisconsin System are addressed. A starting principle was that the audit and review was a responsibility and activity to be conducted by the faculty, or shared governance agencies, of each institution. A second principle pointed to the need to distinguish between program audit as a process of identifying programs that should be given intensive review, and program review as the comprehensive and intensive examination of a particular program. The review, rather than the audit, would lead to recommendation that a program be phased out or changed. A third major principle developed in Wisconsin policies and procedures is that the institutional processes of audit and review should be perceived as an integral part of institutional planning, rather than a crisis reaction to fiscal stringency. Among the issues surrounding development and implementation of program audit and review are the following: whether the excision of academic programs saves money, whether external evaluations could provide more acceptable decisions than faculty members assessing the programs of colleagues, and whether audit and review would generate efficiencies in the use of resources sufficient to repay the direct costs of conducting the review. (SW)

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AS A MEANS OF RESOURCE REALLOCATIONS

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Denver, Colorado, December 16, 1975

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I.

The opportunity to talk on neutral ground with an audience including a number of state budget officers is in some ways a temptation to engage in mischief. We university officers usually find ourselves in the role of petitioner when we meet state budget folks within the boundaries of our own state. Petitioners, particularly those too frequently reminded of their own unworthiness, tend to cultivate negative thoughts. I know we have a story going the rounds in the University of Wisconsin System these days about the sweet and gentle proprietress of a southern rooming and boarding house who greeted newcomers to her establishment with the following comforting words: "Now if there's anything at all your heart desires that would make you happier or more comfortable, you just let me know right away--and then I'll send my man around to explain to you why you can't have it." Our projective testing shows that nine out of ten System administrators, upon hearing the story, immediately think of state government. But that, of course, is an unworthy thought, brought on I suppose by too many years of seeming to find ourselves in an audience hearing a contemporary version of Jonathan Edwards' sermon, "Sinners in the Hands of an Angry God," loosely translated as "Higher Education in the Hands of an Angry State Government."

However, let me put aside the temptation to talk about how fiscal stringency feels to those chosen to manage it, and turn in a more objective way to the topic at hand. The idea of audit and review of existing academic programs is a phenomenon born of experience with, or anticipation of an era of fiscal stringency for American public higher education. The idea is now either at the stage of policy development, or the stage of action in all of the major statewide systems of public higher education in America. Its purposes, methods, and perplexities are a subject of great interest and anxiety both within universities and within state agencies relating to universities. Accordingly I would seek this evening to set a foundation for subsequent discussion by treating first, the proximate causes of the phenomenon of program audit and review; second, at least one set of principles relevant to its management; and finally, some of the major issues surrounding its development and implementation.

II.

As to causes, one should observe that American universities have historically accepted an academic version of the Socratic aphorism that "an unexamined life is not worth living." The academic correlate runs to the point that an unexamined curriculum may not be worth offering. The oldest questions of higher education: "What is knowledge?" and "What knowledge is of the most worth?" have been central concerns of scholars as individuals and as organized communities throughout the history of higher education. The questions remain the context for the ongoing struggles within universities and colleges over degree requirements, major fields of study as part of those requirements, and the constituent elements of those fields.

The particular circumstances giving rise to current interest in the audit and review of established academic programs are, however, of rather more recent origin. I shall state these circumstances rather briefly since I think they cover ground familiar to all of us here.

First, during three decades of almost uninterrupted growth following World War II, American public universities generally became multi-purpose institutions, serving the broadest possible range of student and societal interests through the proliferation of major fields of study. For example, this year the thirteen public universities of the state of Wisconsin offer some 258 distinguishable baccalaureate level majors, or fields of concentration; some 192 distinguishable master's level programs; and 137 different doctoral programs, including those leading to the Doctor of Medicine and Doctor of Jurisprudence degrees. This proliferation generally represented accommodation to growing diversification of interest and need in an expanding student population, and equal diversification of identifiable societal needs in an ever more complex civilization. The efficiency with which this programmatic expansion was accomplished deserves more attention than it is usually given. It is now received wisdom to perceive universities as essentially inefficient, yet it is worth noting that the form of organization used in the public university curriculum was remarkably well adapted to program expansion in a period of steady growth in student populations. Degree requirements based on the accumulation of stipulated levels of degree credit, including a designated major field concentration, made it possible to repackage existing courses and faculty expertise to support an expanding number of major fields. In this way universities could achieve rapid growth in the number of programs without an equivalent growth in the number of courses or the numbers of new faculty. As program expansion continued, however, the probability inevitably grew that not all programmatic inventions merited immortality.

This probability was brought home by events in the 1970's. It is now clear that many, if not most, American public universities entered the decade of the 1970's with exaggerated views of their potential for attracting an ever-expanding student clientele, and with excessive optimism about the ability or willingness of government to provide ever-expanding resources. These two forms of optimism were interconnected, of course, but I suspect the emerging intention of the state and federal government to contain or drive back levels of public expenditure is the more basic phenomenon. The possibility of a steady state or declining student population in the next decade is more likely as a consequence of fiscal stringency than as its cause. In any event, the higher education agenda for the immediate future seems all too clear. If the 1950's and 60's were a period of seeking expanding resources to meet expanding aspirations, the 1970's are fast becoming a period of adjusting aspirations to static or declining resources.

In this milieu the movement toward audit and review of existing academic programs has been inevitable. The litany underlying such review has become commonplace.

If a university is faced with a declining budget, should it attempt to distribute contraction to all of its programs and operations in proportionate ways? The answer must be no. That method of managing fiscal decline speaks to an inevitable weakening of the fabric of the university as a whole---a choice for universal mediocrity or worse. In this sense, it becomes the obligation of the university to search out those programs or activities which, however, valued, are less essential to its strength and nature than others, and to abandon or alter that which is of lower priority to protect the vitality of that which remains.

If a university is faced with a declining or static budget, but assumes an obligation to continue the process of adapting its programs to emerging student and societal needs, or an obligation to improving the quality of its programs, how can these obligations be met? The answer is again that of searching out and abandoning that which is less valued, or redirecting the less valued toward higher priority goals. In Wisconsin we call that the posture of "growing from within," or as some of my less reverent colleagues put it, the cancer theory of growth and development. Renewal is not to be abandoned, but it must be confronted as a possibility to be realized through resources we have rather than through those we might hope for.

Both of the questions posed, and their answers point to the same conclusion. We must, as a matter of expressing our comitment to the uses of knowledge for the betterment of the human condition, look steadily and forthrightly at all of our existing programs. And we must be ready and able to make hard decisions about the future, or future direction of those programs.

III.

The causes of interest in the audit and review of existing academic programs are reasonably clear. The optimal methodology for developing and implementing the capacity for effective review is less clear. Differences in perspective have led to tension between governing boards, coordinating commissions, System central administrations and the faculty of universities, as well as between universities and state government.

Let me reserve comment on issues which generate these differences for the final section of this paper, and deal here with the organizing principles we have used in cultivating the processes of academic program audit and review in the University of Wisconsin System.

The major organizing principle which was proposed by central administration to the Regents of the merged System, and approved by the Regents, was that the most important goal of Regental policy and central administration activity should be that of cultivating in the governing arrangements of the fifteen institutions of the System the intention, policies and procedures, and agencies needed for continuous audit and review of all existing academic programs. This principle said in effect that it was less important that the Board or System administration move quickly to identify and excise a limited number of obviously weak or unproductive academic programs, than that it move carefully to establish the process of audit and review as a responsibility and activity carried out by the faculty, or shared governance agencies of each institution. In a phrase I heard from Dean McAllister Hull of the University of New York, Buffalo, "if the surgeon is asleep when the patient needs an operation, the best approach is to waken the surgeon and not start the operation oneself."

In stating this principle, however, it was recognized that there were some circumstances which would require audit and review processes involving Systemwide or regional examination of particular questions. I will identify later three such circumstances now recognized in Wisconsin System policies. Nevertheless, the general principle of institutional autonomy has been made central to development of the processes which will account for the great majority of the ongoing audit and review activities carried out in Wisconsin. Two assumptions supported the centrality and practicality of the principle.

The first of these assumptions was that the indispensable condition of a genuine university is that its faculty assume primary responsibility for the quality, health, and usefulness of its academic programs. If this is not done, then the reason for being a community of scholars with general responsibility for the recovery, organization, dissemination, and enhancement of knowledge is abandoned. Public universities become simply another agency of the state or society organized to carry out service functions identified by government or the public generally. Agencies external to the faculty may conceivably produce quicker decisions on program excision, attenuation or alteration than can the faculty, but the price for such a choice is inevitably both demoralization of the academic community, and the withdrawal of that community into a posture of defending all that now exists rather than attending to its health and quality of all that exists.

The second assumption has a somewhat optimistic tone. It asserted that if the faculty are given the responsibility for program audit and review, they will in fact face hard questions and reach decisions. The merit of this assumption will need considerable examination in the years just ahead. The habits of academic log rolling are well known, and the tendency of professionals, whatever their affiliation, to avoid giving offense or pain to colleagues is at once human and humane. Nevertheless, I am convinced that once the members of an academic community have an opportunity to confront the implications of long or mid range fiscal austerity, they will reach the difficult decisions needed to assure both the quality and vitality of their enterprise. Our preliminary experience in Wisconsin with this assumption has been reassuring, although admittedly it has been an experience within the context of severe and continuing fiscal stringency.

The three circumstances which generate exceptions to the general principle of primary institutional responsibility are these: First, it was recognized that certain problems of program replication within a multi-university System could not be effectively confronted by the faculties of the institutions separately, or even by these faculties severally in the absence, as in Wisconsin, of any effective Systemwide faculty governance agencies. For this reason, the Regents identified the need for lateral audit of like programs in several institutions on the basis of identified problems relating either to alleged excessive replication, or to possible excessive replication through new program development. Such lateral audits can be initiated and conducted by central staff, although they must involve consultation with affected faculties and use either interinstitutional faculty task forces or external disciplinary specialists in the process of reaching and verifying recommendations. An example of such a lateral audit is now in process concerning the eleven medical technology programs now offered by the thirteen universities of the System. These programs, joined to another twelve such programs in private colleges of the state, are admitting more students than can possibly be accommodated in the clinical hospital settings needed for completion of the program, or than could possibly be absorbed by the employment market should clinical training opportunity be developed. The occasion for Systemwide audit and review seems apparent and has been readily if uneasily accepted by the universities whose programs are involved.

Second, it was recognized that the primary responsibility of the Board of Regents for defining the missions of all institutions could lead to situations in which major decisions on programmatic change would impact on mission definitions. For example, a decision as extensive as the phasing out of a college, or a whole level of instructional activity would almost inevitably require redefinition of the mission of the affected institution, and in this sense become a matter of primary

concern for the Board as well as the affected faculty, We would not expect major changes of institutional mission or character to emerge simply from the internal audit and review processes of a campus, but rather from interactive studies between the campus, central administration, the Regents, and the public, with decision coming from the Regents.

Third, System policies emphasize the cultivation of consortial arrangements among several universities. To the extent that such consortia undertake program audit and review activity, they act in ways that modify the primary responsibilities of faculty on a single campus. One such consortium in Wisconsin now involves four geographically proximate universities. The consortium carries delegated responsibility for audit and review of graduate programs replicated in more than one of the regional universities, and for review of new program proposals from all universities. The consortium uses interinstitutional faculty agencies in the review process, and its decisions are not binding on the faculties of the affected institutions, or on the Regents. However, consortially developed recommendations have proved unusually persuasive.

A second principle developed in Wisconsin policies and protocals pointed to the need to distinguish between "program audit" as a process of identifying programs which for any of several reasons should be given intensive review, and "program review" as the comprehensive and intensive examination of a particular program. The review, rather than the audit, would lead to recommendation that a program be phased out, or placed on probation, or continued, or changed in form and direction, or consolidated with other programs, or augmented.

The need for these dual processes flows from the obvious fact that no university of any size can possibly review more than a small fraction of its programs in any given year. If the review is to lead to wise decisions, it requires deliberation and subjective judgment on matters of program quality, societal trends and needs, the implications of changing student preferences, program interactions, and in some cases on the essential responsibilities of a university. Each review is a commitment of substantial faculty and administrative time, and its products are likely to affect not only the program receiving immediate attention, but the directions of a college or the university as a whole. In these circumstances, an efficient method must be developed for finding the programs whose review is most likely to be productive of useful decisions. Audits are designed to provide this method.

In our experience, a campus can engage in continuous audit of the total corpus of its programs in relatively low cost but effective ways. If a good information base is available, trend data on enrollments, degree production, staffing ratios, the distribution of major field and service loads, and costs relative to disciplinary area can be used to identify programs concerning which inquiry in depth would seem warranted. The audit data should receive subjective evaluation by a faculty-administrative committee in order to avoid initiating a review quite unlikely to produce additional wisdom or useful recommendations. This evaluation also permits initiating review of programs on the basis of information other than that encompassed by the general audit. For example, knowledge that several key faculty in a given program were retiring or otherwise leaving in the near future could suggest the merit of a review of that program, even though other data would not have led to such identification.

An alternative to audit, available to small institutions or to review aimed at a small segment of the total array of programs, is the use of a review schedule in which all programs of a given category are scheduled for review on a three or five year cycle. Our Wisconsin universities are experimenting with both approaches, although the use of an audit as a means of identifying the programs slated for review in a given year is now the most common procedure.

A third major principle developed in Wisconsin policies and procedures is that the institutional processes of audit and review should be perceived as an integral part of institutional mid range and long range planning, rather than a crisis reaction to fiscal stringency. This principle is vital if we are to assume that the faculty will internalize responsibility in their decision making activity for continuous reexamination of academic programs. A process aimed simply at program excision will never take root in the habit system of universities. A process aimed at maintaining the health and vitality of the institution, whether the fiscal environment is fair or foul, can take root.

Having described the general benchmarks within which we have developed the process of audit and review of academic programs in the University of Wisconsin System, I should hasten to add that the actual process of development was somewhat less orderly than this description might imply. We started our development of policies and procedures in 1973 in an environment of aggravated fiscal distress and an unusual state interest in the proposition that the System was overgrown and in need of attention to those familiar academic sins of duplication and waste. We started, I would say in retrospect, with indecent haste through a Systemwide audit of master's and specialist programs, leading to massive review activity undertaken by the campuses over a four month period. The haste of the process aroused a considerable level of anxiety and rancor among the faculties of the System, but I believe most of that has been tempered by the subsequent understanding that the initial thrust was undertaken on a pilot basis for reasons which seemed compelling to the immediate health of the System. Subsequent activity, involving the development of continuous programs of audit and review in all of the institutions, has in fact placed primary responsibility with the shared governance agencies of the several institutions. The initial audit and review program despite its haste, did result in the phasing out of some 50 master's level programs, most of them notably lacking in vitality. It has subsequently generated the phasing out or consolidation of an additional dozen programs, based on consortial or regional reviews.

We will be receiving reports on the results of current campus-based reviews of programs at all levels at the end of this academic year, and we are confident that these reports will demonstrate the readiness of faculty to assume and exercise this responsibility.

IV.

Let me conclude my commentary by stating several questions which relate to the perplexities and gulfs in understanding which have accompanied efforts to develop the process of audit and review of academic programs. I will be brief since these and other questions touch on matters you may wish to consider in the discussion period which follows.

1. Does the excision of academic programs save money?

The quick answer is "yes and no." The question itself identifies one of our continuing difficulties in understanding between the System and state officials. A simplistic view of the process would hold that if one eliminates a program with x number of credits, and the credits cost y dollars to produce, the elimination should free up the resultant dollar sum either for return to the state treasury or for other forms of reallocation. The truth, as is an unfortunate habit of truth, is somewhat more complex. Eliminating a particular program in the immediate instance simply redirects students to other available programs, and these may be as costly or more costly than the program eliminated. Only if one eliminates a program which reduces the student population significantly, and thereby ends the employability of a certain number of faculty members, are substantial dollars freed up for noncontingent reallocation.

If one takes a somewhat longer view, however, the act of excision does accomplish reallocation of resources to more viable or higher priority activity, and in this sense makes more effective use of the resources involved. It also removes a cost center, which however small, would otherwise continue to compete for an increased share of available institutional resources.

In summary then, program excision or attenuation is a form of resource reallocation designed to move resources from lower priority to higher priority purposes, and in this sense increase the efficiency and vitality of the university. Unless undertaken in Draconian ways through the elimination of whole colleges, or whole levels of program activity, and the concurrent depression of enrollments and faculty requirements, it does not free up consequential dollar sums.

2. Would teams of external professional evaluators be able to provide more acceptable and rigorous program decisions than faculty members dealing with the programs of colleagues and associates?

The answer to this question will await somewhat more experience with program audit and review than is currently available. My assumption, stated earlier in this paper, is that the heart of the process must be internalized and managed by the institution itself as part of its continuing responsibility for the quality, health, and vitality of its programs. The consequences of abandoning this approach would be most serious. At the same time we have recognized in Wisconsin that for some purposes of lateral audit across like programs in several institutions, the use of external professionals may facilitate decisions which are academically wise and also acceptable to the faculties affected. At the moment I would envision probable emergence of a basic process managed within the universities themselves, but supplemented by reviews aimed at response to particular questions which cannot be effectively addressed by single institutions. The number of reviews undertaken in the latter context should be small, and the use of professionals external to the institutional faculties may be indicated in particular cases.

3. Will processes of audit and review generate efficiencies in the use of resources sufficient to repay the direct costs of conducting such review?

This is a question state budget officers and university officers need to address more aggressively. The crisis ridden atmosphere within which many of our recent moves toward greater accountability on the part of universities have been conducted has resulted in substantial diversion of faculty and administrative time

from primary university tasks of teaching, public service, and research, and the facilitation of such tasks. The tasks of self study, review, and reporting, none of which serve students or the public directly, need examination in terms of their cost effectiveness. My estimate, unsupported by any hard data, is that the failure of government agencies and universities to come to agreement on the terms of reference proper to public accountability has led in the last two to four years to excessive self study, analysis, and reporting, and a substantial loss of efficiency in our public universities.

4. Is program elimination or attenuation the controlling purpose of program audit and review?

The answer is implicit in the answer I gave to the preceding questions. It should not be the controlling purpose. Unless the controlling purpose is maintenance and improvement in the health and vitality of the university, then the work will never be internalized and conducted effectively by the universities themselves. We should be as much interested in decisions involving the reorientation, or consolidation, or qualitative improvement of programs as we are in decisions involving excision or attenuation.

5. Do public universities tend to have too many academic programs?

My general guess is that the answer is yes, but that the implications of the answer are somewhat ambiguous. Program proliferation reflects generally an effort by public universities to adapt basic disciplinary knowledge to elaborating occupational concerns of students and the public. The current national emphasis on career education, often narrowly defined, joined to the current employment environment tends to support further proliferation rather than contraction. Faculties faced with the prospect of needing to reduce program proliferation in order to meet budget cuts face awesome difficulties. The process of program attenuation may result in reduced institutional attractiveness to students, which in turn may intensify the prospect of further budget cuts and staff reductions. We will need, I believe, better public understanding of this problem before many of our universities will be able to move in major ways on long-range adjustments to simpler modes of curricular organization. As a beginning adaptation to the difficulties of this process, we have reached agreement with state government in Wisconsin that the University System should start doing its budget and program planning activity on a four-year front, with the assumption that difficult tasks of program adaptation can seldom be wisely planned or implemented in less than four years. The concurrent assumption is that repetitive annual budget crises, requiring crisis-ridden programmatic decision will not generate effective academic planning.

Let me close with a reference to a recent review of the new novel, J.R. by William Gaddis. The reviewer observes that one of Gaddis's dramatistic assumptions is as follows: life is what happens to us while we are planning other things. In many ways the environment of fiscal austerity, and its child, audit and review of academic programs, are things that happened to higher education in America while universities were planning other futures. Reconciliation with new ways of living, working, and planning will be difficult. But reconciliation is possible. Its terms are simple. Universities must attend to the health of their own enterprise under conditions of fiscal constraint. The surgeon must be awake. Government must recognize and honor the proposition that responsibility for teaching, learning, and its organization must rest primarily with scholars. Government can nourish universities or destroy them. It cannot manage them.