Setting Academic Priorities

A Guide to What Boards of Trustees Can Do

American Council of Trustees and Alumni
Institute for Effective Governance

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Launched in 1995, the American Council of Trustees and Alumni (ACTA) is an independent, non-profit organization dedicated to working with alumni, donors, trustees, and education leaders across the country to support liberal arts education, high academic standards, the free exchange of ideas on campus, and high-quality education at an affordable price.

ACTA's Institute for Effective Governance, founded in 2003 by college and university trustees for trustees, is devoted to enhancing boards' effectiveness and helping trustees fulfill their fiduciary responsibilities fully and effectively. IEG offers a range of services tailored to the specific needs of individual boards, and focuses on academic quality, academic freedom, and accountability.

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by Robert C. Dickeson

Higher education is in the midst of a deep financial crisis. Dire warnings are coming true as institutions' bond ratings fall and accreditors and the Department of Education place schools on warning lists for financial instability. The failure of governing boards to focus on academic programs is arguably the single greatest cause of overspending. All too often, past attempts to reduce expenses have concentrated on the administrative, not academic, side of the budget—a significant issue, but only a part of the problem. Across-the-board cuts, where all programs, academic and non-academic, suffer equally is politically expedient but will inevitably diminish academic quality. Thus, **the future of your institution may well depend on your willingness to make clear decisions about academic priorities.** Prudent action now will position your school not only to weather the current economic crisis but to emerge a stronger academic institution. This brochure will show both why and how to prioritize academic programs.

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Not all academic programs are equal. Some are more efficient. Some are more effective. Some are more central to the mission of the institution. And yet insufficient effort has gone into forthrightly addressing and acting on the efficiency, effectiveness, and essentiality of academic programs.

In many instances, governing boards assume that academics is an area that is off limits, that academic matters are solely the province of the faculty, and that for the board to intervene in this sacrosanct area is somehow a violation of "academic freedom." These assumptions are simply false, and continuing to foster them only delays the board's critical and necessary analysis of the most important aspect of its institution's operation.

Consider these realities:

1. Academic programs (such as degrees offered) are not only the heart of the collegiate institution, they constitute the real drivers of cost for the entire enterprise, academic and nonacademic.
2. Academic programs have been permitted to grow, and in some cases calcify, on the institutional body without critical regard to their relative worth.

3. Most institutions are unrealistically striving to be all things to all people in their quest for students, reputation, and support rather than focusing their resources on the mission and programs that they can accomplish with distinction.
4. There is growing incongruence between the academic programs offered and the resources required to mount them with quality, and most institutions are thus over-programmed for their available resources.
5. Traditional approaches, like across-the-board cuts, encourage mediocrity for all programs.
6. The most likely source for needed resources is reallocation of existing resources, from weakest to strongest programs.
7. Reallocation cannot be appropriately accomplished without rigorous, effective, and academically responsible prioritization.

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Academic prioritization is a necessary process to accomplish reform. The perceived barriers to undertaking prioritization are daunting: the institution's own marketing efforts to induce students to enroll have driven the proliferation of academic offerings; academic programs also burgeon because of the specialized interests of the

faculty; *curriculum creep* leads to *program creep* which often results in *mission creep* as institutions take on more and more demands. The mission may have veered off course due to narrow requests of well-meaning donors; strategic plans are rarely aligned with fiscal realities, particularly through reallocating fiscal resources; and reform is often impeded due to anticipated resistance from the faculty.

Despite the obstacles, change must occur: higher education has no viable alternative. Colleges and universities have evolved to the point where the bloated curriculum is receiving resources that are not adequate to accomplish its purposes. Do any of your program directors—deans, department heads—feel their program resources are sufficient? Most academic programs are seriously undernourished. Keeping up with qualified faculty and adequate support staff is difficult. It is frequently difficult to provide equipment necessary to mount programs in a respectable way, especially in an age of rapid technological transformation. **The price for academic program bloat for all is impoverishment of each.**

Academic program prioritization is serious business. And its careful facilitation requires both an atmosphere conducive to the best interests of the institution, and a commitment to see through to completion the decisions that the process will generate.

In business, measuring, analyzing, and prioritizing a company's products is accomplished by looking at two factors: market growth and market share.

Higher education does not have it so easy. The criteria required to measure a program's efficacy are more complex and the bottom line fuzzier. To the extent that the reallocation of resources requires program prioritization, a campus will need to follow a process that accommodates its unique needs and culture as it undertakes this important analysis. Based on experiences in multiple campus settings, preparation should include the following:

Understanding the Need for Reform

To what extent is the campus aware of the resources problem, the need to address over-programming, and the likelihood that new resources will mostly come from reallocation of existing resources? Part of securing commitment is building awareness of the overall vision for the organization. The noble goals of any vision cannot be attained without the people, money, and other resources committed in focused ways. Understanding the *need* for reform is therefore required for *commitment* to reform.

Identifying Responsible Leadership

Has appropriate leadership been empowered throughout the institution to champion the coming process? Are the board and the president truly aligned? The case must be made by the board and president in a compelling way to achieve academic prioritization. Identifying responsible leadership is key to ensuring that the needs of the institution transcend its personalities.

Reaffirming Institutional Mission

Since the mission of the institution is the grid against which all subsequent program decisions are to be made, serious questions must be asked and answered. It is imperative that there be a high consensus about institutional role and scope, a common sense of whom the institution serves and what it does. Do stakeholders recognize that the institution can no longer afford to be what it has become?

Defining What Constitutes a Program

To ensure prioritization, the process must be disciplined by a common definition of "program." Have *all* resources of the institution been arrayed into discrete program components? Is the distinction between a program and the administrative entity which shelters it made clear?

Selecting Appropriate Criteria

Are sufficient data available to support all relevant criteria for program review? Will the criteria selected, once sustained by information, yield the results expected from this process? Since decisions about academic prioritization may be challenged—possibly in the courts—has careful thought been given to the academically sound reasons for choosing criteria and assigning weights to them?

Once these critical questions are answered, the campus is adequately prepared to undertake program prioritization.

10 Criteria to Facilitate Meaningful Prioritization

1. History, development, and expectations of the program
2. External demand for the program
3. Internal demand for the program
4. Quality of program inputs and processes
5. Quality of program outcomes
6. Size, scope, and productivity of the program
7. Revenue and other resources generated by the program
8. Costs and other expenses associated with the program
9. Impact, justification, and overall essentiality of the program.
10. Opportunity analysis of the program

Do we have the leadership, the courage, and the will to see through to completion this important task? Are the leaders, particularly the president, willing to invest political capital in meaningful reform?

Academic program prioritization is serious business. And its careful facilitation requires both an atmosphere conducive to the best interests of the institution, and a commitment to see through to completion the decisions that the process will generate. **Governing boards may initiate change in some instances, but in all instances they will be required to act with the finality that only their authority permits.** Decisions—about program enrichment, consolidation, reduction, or elimination—are recommended by the president after undergoing the prioritization process, but can be made only by the governing board. Only the board should have the authority to close programs, and this authority should not be delegated.

It is one thing to initiate change; it is quite another to complete it. Before an institution seriously considers undergoing a comprehensive prioritization of academic programs, an old-fashioned "gut check" is necessary: Do we have the leadership, the courage, and the will to see through to completion this important task? Are the leaders, particularly the president, willing to invest political capital in meaningful reform? This review of an institutional profile in courage is necessary given past experiences where the will was found wanting and the process failed.

Decisionmaking on a college campus is often political. As in all other legislative arenas, interests collide, and dominant interests—or coalitions of views requisite to securing approval—win out. What is more, the interests do not usually go away after a decision is made.

The bottom line: **It takes courage to bring about difficult but necessary reform.** One example sets the stage: With the support of her academic vice chancellor, a courageous chancellor of a land-grant university instituted a comprehensive program review. The board was on record as supporting this needed renovation. However, as the recommendations moved forward, based on the analysis, faculty members in the affected programs began a statewide lobbying campaign. They contacted legislators, fed misinformation to the media, used students as foils to protest the changes, initiated letter-writing campaigns to special interest groups, inserted anonymous messages in campus mail, and issued threats. All of the pressure was directed at the university's governing board. The board caved. Allowing political pressure to obscure its own vision of the need for reform, the board halted the reform process, and the dissidents claimed victory for the *status quo*. The chancellor, frustrated by the hypocrisy of the board that had hired her to be an agent of change, eventually left to head a more honorable university.

I have worked with governing boards where there was unanimity at the outset about the need for making difficult decisions associated with

resource reallocation. But when the going got tough and the lobbying got tougher still, board members abandoned both their principles and their president. In still other instances, boards have split into opposing camps, forcing the administration to negotiate a settlement on issues of academic importance to the institution. As a consultant at one private university, I was forced to meet separately with two board factions—one at a downtown restaurant, the other on the campus—in an attempt to foster communication.

At every turn, there will be challenges to overcome, but the goal is too important to abandon. By simultaneously evaluating all programs against solid criteria and through an academically defensible process, resource reallocation decisions can be strengthened and the university can pursue targeted excellence rather than across-the-board mediocrity.

This behavior is not only unacceptable; it is preventable. Prior to undertaking academic reform, a clear understanding of its likely controversy should be revealed to and discussed by the board. Legal, financial, and reputational issues will be at stake, as well as academic and management ones. Departments that "own" programs do not readily give them up without a fight. Tactics often include end-runs to the board. To the degree that the board has permitted—even encouraged—*ex parte* communication with faculty, the role and success of the president is jeopardized.

Presidents typically are politically astute. They know that a fractious faculty, upset over program

reform, will not likely grade presidential performance favorably. Presidents thus have to strike a balance between their convictions to do what's right and their survivability, without which they get to do nothing at all. "I'm not sure the board will back me," has forestalled more serious reforms than any other single factor.

At every turn, there will be challenges to overcome, but the goal is too important to abandon. **By simultaneously evaluating all programs against solid criteria and through an academically defensible process, resource reallocation decisions can be strengthened and the university can pursue targeted excellence rather than across-the-board mediocrity.** The board's ultimate goal is to place the institution in the best possible position, ready and capable of responding effectively to new contingencies, at the same time that it goes about shaping its future.

Additional Resources

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