Focus for the Future: A retrospective outsider view

John Wiencek
Genesis: Zero Based Budgeting

• May 2013 Memo from SBOE staff indicates that the Governor’s mandate that all state agencies undergo a zero base budget process and to redirect savings to higher priorities

• Board retreat on May 15-16, 2013 probed the possibility of utilizing Program Prioritization (Dickeson) as a means to accomplish the underlying objective of the Governor’s mandate

• Institutions were to propose outcomes, targets, criteria and weights for SBOE by June 12, 2013
Interesting quote from that memo...

“The Board, with input from several institution presidents and provosts, agreed to a framework for initiating program prioritization on each of the campuses. The institutions will develop proposed outcomes (i.e. overall goal of what they hope to achieve from the program prioritization process) and targets for each outcome (e.g. a specific reallocation of resources in support of the outcome). For example, an institution could propose faculty and staff salary increases as an outcome, with a target of x% savings generated from program prioritization to reallocate towards salaries. …..”
June 12, 2013 response ....

• outcomes, targets, criteria and weights

• We did this before, so we plan to use the same process.

• Criteria: Centrality, Cost-effectiveness, External Demand, Internal Demand, Impact, Productivity, Quality, Size/Scope, Synergies

• Did the process several years earlier, eliminated 37 programs, savings already applied to budget reductions of FY09

• Target – ongoing framework that establishes a focus for the future (prioritized faculty hiring, program review, enhanced operational efficiency)

• JW Note: Semantics – UI Target vs Board Outcome
Macroscopic Timeline

Kick off

- May – Sept 2013 Communicated required process and continued use of criteria (Burnett and Aiken)
- President’s Breakfast firms up 2 Phase approach

Phase 1: Measure

- Phase 1 taskforce develop templates (Oct 2013)
- Units submit list of programs, inventory all things needing to be assessed (Oct 2013)
- Units complete forms with required measures (Nov 2013)

Phase 2: Prioritize

- Phase 2 taskforce appointed (Nov 2013)
- FFF Retreat (Jan 2014) review results in Focus Groups to divide up the work
- Focus Groups report out (Feb 2014) and results discussed at executive level
- FFF planning meeting (March 2014) – communications and implementation
- Unit meetings to discuss result of FFF (April 2014)
- Final Decisions Announced (July 2014)
Process milestones

- **10.30.2013**: Criteria definitions and weighting scheme finalized.
- **12.02.2013**: Program level self-study with unit leader review and scoring.
- **01.13.2014 & 01.14.2014**: Leadership retreat to identify programs/processes for further review informed by industry benchmarks, productivity data and unit reviews.
- **02.03.2014**: Completion of in-depth review by topical workgroups tasked with developing recommendations.
- **04.23.2014**: Preliminary plan developed by Executive Leadership posted for a two-week open comment period.
- **05.23.2014**: Executive level decision communicated.

Broad communication & participation

[Further details related to communication and participation]
Measurement Tools Driving Decisions

- Criteria Forms – self assessment with next level of management also assessing (no quantitative data requirements) ... the Priscilla Salant question

- Other assessment based on quantitative data
  - The primary quantitative assessment was average student headcount + student FTE + graduates for past 3 years for each major

Units of program analysis

Criteria and weighting

- Centrality (5)
- Synergies (4)
- Impact (4)
- External Demand (4)
- Cost Effectiveness (4)
- Internal Demand (4)
- Productivity (3)
- Size and Scope (3)
- Quality (5)
What is a Quintile?

• UI understanding articulated in June 12, 2013 memo from President Burnett:

“Our process [of 2008-9] did not produce a quintile ranking of programs; however, it did identify programs that were strong, those in need of improvement in order to be sustained, and those to be closed or consolidated.”

### Preliminary quintiles

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<th>Number of programs by type</th>
<th>Preliminary/Absolute Quintile</th>
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<tr>
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<td>Academic Programs (degrees, certificates &amp; majors)</td>
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<tr>
<td>Academic and Student Support Programs/Units</td>
<td>17</td>
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<tr>
<td>Non-Academic Programs/Units</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
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</table>
Quintiles Redone

“any of five equal groups”

Assessing inputs

Final quintiles

<table>
<thead>
<tr>
<th>Number of programs by type</th>
<th>Final/Relative Quintile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>Academic Programs (degrees, certificates &amp; majors)</td>
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<td>Academic and Student Support Programs/Units</td>
<td>17</td>
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<tr>
<td>Non-Academic Programs/Units</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
</tr>
</tbody>
</table>
Overview of findings

Degree Programs: Moved/restructured (6), Program changes/consolidations (5), Name Changes (1), Discontinued (19)

Non-Degree Programs: Strengthened Enrollment Management and Communications/Marketing, Closed campus pharmacy and Office of Community Partnerships, Transferred the Student Sustainability Center to Facilities, Moved five interdisciplinary centers to appropriate academic unit
Financial Impacts - Where did $ go?

• Complete financial picture incomplete at this time but the following is known:
  • Savings from OCP closure ~ $460K
  • Reallocated to (current estimates, final analysis pending):
    – CLASS McClure Center and faculty line (~$170K)
    – Tribal Relations Office (Pow Wow and base budget adjustments of ~$23K)
    – CNR faculty line (~$63K)
    – Library and Academic Affairs base budget (~$21K)
    – Facilities Sustainability base budget (~$95K)
  • One time reallocations for faculty salaries (~$190K), Bioregional Planning start up (~$20K), OCP Summer internships and Backyard Harvest program (~$21K)
  • BAE move resulted in transfer of budget from CALS to COEng
  • UWPs moved to colleges
  • Several college-based reallocations
  • Pharmacy closure yielded some additional savings (not yet clear)
Observations

• Lots of data input but not all of it used
• Manually intensive
• Misunderstandings with SBOE, Objectives not in sync or defined
• Not sustainable as is
• How Board and Legislature uses the data now ... as indicator of priority!
• Non-academic units measures were uneven
• Overall savings, if any, folded into same College/unit for the most part
Soon to be adopted Board Policy:

11. Program Prioritization
   a. “Program Prioritization” is a process adopted by the Board in setting priorities and allocating resources among programs and services with a specific focus on Mission, Core Themes and Strategic Plans.
   b. Program Prioritization shall be incorporated in the colleges and universities’ annual budgeting and program review process.
   c. Annual Program Prioritization updates are to be submitted to the Board by the colleges and universities on the date and in a format established by the Executive Director.
Do overs

• Better articulate Why? How will we use these results?
• Automation of Quantitative Aspects
• Same set of queries to non-academic units as academics – including administrative units within Academic Colleges/Units
• Lean the process
• Service units – measures of quality, quantitative surveys, unbiased measures
• Spend time with lowest quintile programs to improve, adjust or re-envision
• Open up the decision making process
• Need a fresh start
NWCCU Seven Year Self and Peer Evaluation

- Program Prioritization (FFF) viewed as a useful assessment tool by NWCCU
- FFF criteria were not always aligned with Year One report and Strategic Plan (many changes occurred at UI since those documents were generated)
- FFF is a prioritization process, “not a holistic process designed to assess [mission fulfillment]”
Program Prioritization vs Institutional Sustainability

• Selective Excellence - Market Share, Reputation, Impact
• Innovation - What is next opportunity to be excellent?
• Prioritization - Moving resources from lower to higher priority programs (those that already exist)
• Planning & Execution
• Budget models
Quality and Quantity Matter ... one drives the other

Outer loop is academic execution

- University Mission and Distinctiveness (Brand Identity)
- Faculty and Programs of Distinction (Quality)
- Student Demand and Enrollment (Customers)
- Learning Innovation, Scholarship and Creative Work (New Opps)
- Tuition, State Support, Economic Development (Resources)

Inner loop is operational execution

- Program Prioritization
- Integrated Planning and Assessment
- Budget Process

Building Progressive, Sustainable and Complementary Cycles
Sustaining momentum

Time for a new Strategic Plan

- Recognize and build synergies between Academic and Operational Processes
- Align with SBOE Planning Process - Rolling 5 year plan
- Drive Future NWCCU Assessment and Evaluation
- Leverage FFF Process and Recommendations
- Integrate planning efforts (academic, infrastructure, enrollment, finances, communication, development etc.)
- Build agility, incentives, rationality, transparency in budget
Objective / Why?

• Final August 6, 2014 report (Prioritized faculty hiring, program review, operational efficiency)

• Burnett memo (similar statement in final FFF report to SBOE, June 2015)
  “Prioritized Faculty Hiring. All new and vacated faculty positions must be invested in high-level University strategic priorities …. No faculty investments will be made in low priority areas. Thus, faculty resources will migrate, beginning immediately, to higher University and State of Idaho priorities....”

• SBOE and Legislature – will not provide new funding unless in top quintile (ordering)

• Inform budget requests, budget reductions, budget increases and reallocation targets
Proposal - New Program Prioritization
Executive Committee

• Provost chairs (with staff assistance)
  • Faculty (How many?)
  • Department Chair
  • Academic Dean
  • Student
  • Finance & Admin
  • Infrastructure
  • Advancement
  • Diversity Office
  • Institutional Research (ex officio)
Proposed Charge

• Define how results will be used in substantive way
• Automate process where possible
• Publish scoring and ranking for all to see
• Provide annual assessment of the process – that is, efficacy of PP and unintended consequences via broad survey and solicited feedback from key representative groups (Faculty Senate, Staff Council, Deans Council, Center Directors etc.)
Question to audience

• Publish most recent process rankings?
  • Raw Score
  • Final quintiles included qualitative adjustments based on narratives
  • Lowest programs stayed in 5th quintile, some higher quintile programs were adjusted down
  • Data biased by self assessments