



Insider

# BEST PRACTICES IN INSTITUTIONAL RIGHTSIZING

June 2023

In the following report, Hanover Research examines research literature, trade publications, and case studies highlighting best practices in university/college academic right-sizing in the face of shifting and declining student demand.



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# EXECUTIVE SUMMARY

## RECOMMENDATIONS

*Based on analysis of academic right sizing case studies and best practices, Hanover finds that:*

### **INSTITUTIONS SHOULD CONSIDER RIGHTSIZING WHEN LONG-TERM ENROLLMENT AND FINANCIAL TRENDS ARE UNLIKELY TO IMPROVE AND THE AVAILABLE INFORMATION SUGGESTS THAT SELECTIVE CUTS CAN ENABLE GROWTH.**

The difference between downsizing and rightsizing is that in a rightsizing effort any cuts made to an institution's workforce or academic portfolio should free up funding to be invested elsewhere to enhance the institution's viability. Planners should be able to demonstrate that: 1) the proposed cuts will free up substantial resources, 2) reallocations of staff, programs, or resources will optimize the institution to compete, and 3) the restructuring is financially and operationally preferable to alternative cuts.

### **LEADERS MUST ENGAGE ALL STAKEHOLDER GROUPS, AND ESPECIALLY FACULTY, IN THE PLANNING PROCESS FROM THE OUTSET THROUGH IMPLEMENTATION AND REVIEW.**

Examples abound of failed academic restructuring and rightsizing efforts that were imposed in a top-down fashion without regard for academia's tradition of shared governance. These initiatives overwhelmingly generate faculty, student, and alumni pushback and can endanger campus climate and inflict reputational damage. At a minimum, robust discussion should last for three months before the process is formally initiated. Planners should be able to provide clear data indicating that the proposed changes have improved the institution's competitive position. Among the profiled institutions in this report, Oberlin College stands out as a particularly effective example of collaborative planning and clear reporting.

## KEY FINDINGS

There is substantial debate about when an institution should engage in rightsizing, with the optimal window occurring once data show a clear need to amend the institution's operating model but before the decline has become so steep that reactive cuts are necessary. Leaders at the University of Tulsa, which arguably provides the clearest example of how not to rightsize, proposed to cut 40 percent of the university's academic programs and eliminate all academic departments when the university's financial status was declining but not dire and it had an endowment of over \$1 billion. These changes should have been planned, debated, and evaluated over many years, rather than announced at the start of a planned two-year implementation window. On the other hand, California University of Pennsylvania faced years of declining state support and enrollments before it attempted to restructure, and by then its situation was too dire to allow for a recovery.

Rightsizing can have severe impacts on campus morale and reputation, so engaging stakeholder groups in collaborative decisions that are well-vetted and achieve majority support is essential. Campus leaders should be prepared to convene working groups to discuss the situation and the need for action, debate various strategies for where and how to make cuts and investments, and develop a collaborative plan. The conclusions of these groups should not be pre-ordained.

Essential rightsizing milestones can include a strong evaluation of the current situation facing the institution, the production of a strategic plan to address it, and efforts to track results over time and keep stakeholders informed of progress. In most cases, effective restructuring and rightsizing efforts can take years to move from planning to full implementation. For instance, the University of Southern Mississippi began its efforts in 2016, released its plan in 2017, and will continue to phase in new and updated policies through 2024. Oberlin College's 2020 plan is still being carried out, with substantial input from academic departments.

# INTRODUCTION AND METHODOLOGY

## INTRODUCTION AND METHODOLOGY

The institution is exploring rightsizing opportunities. To support this process, it would like to learn about relevant best practices and rightsizing efforts at comparable institutions. Hanover will assist in this effort by reviewing relevant literature and secondary sources. The results of this research will help the institution strategically plan and execute its own right-sizing initiative.

## REPORT STRUCTURE

- **Section I: Best Practices for University Rightsizing** provides an overview of academic and administrative rightsizing strategies, with a focus on higher education. The section explores different approaches to the process and summarizes key decision points relating to when an institution should seek to rightsize and how it should communicate its intentions and engage the faculty and other stakeholder groups in the process.
- **Section II: College and University Rightsizing Case Studies** examines four recent rightsizing or academic restructuring efforts at colleges and universities in the United States. These examples were chosen to reflect a range of institutional needs, priorities, and intentions for the rightsizing process, as well as diverse missions, resources, and levels of financial and enrollment distress at the start of the process.

The case studies were also chosen for the robust insight they provide into how shared governance was either central to successful efforts or contributed to failed rightsizing and restructuring attempts. Where Hanover could find evidence of the outcomes of these processes, both for the institutions and the professional reputations of their architects, we have provided that information as well.

## RESEARCH QUESTIONS



How do organizations determine whether to rightsize?



What rightsizing best practices exist?



What are key characteristics and/or milestones of the rightsizing process?

## OVERVIEW OF SOURCES AND EXAMPLES

Because academic rightsizing efforts can look very different across a range of institutional contexts and may even have divergent goals, this report focuses on providing a diverse range of examples and case studies and seeks to survey the wide array of different perspectives on best practices. The strategies that work in one case may not translate to another institutional context.

Evidence of the long-term financial, enrollment, and academic impacts of institutional rightsizing is still emerging since the strategy remains relatively new. With this mind, best practices can be inferred in some cases, but there is more information to be gleaned from case studies of what has gone wrong in efforts that have failed or generated substantial faculty or community resistance.



# BEST PRACTICES FOR UNIVERSITY RIGHTSIZING

*Review of the current status of rightsizing efforts among higher education institutions, as well as best practices for the process.*

# ACADEMIC RIGHTSIZING OVERVIEW

## DEFINING RIGHTSIZING

The *Small Business Chronicle* opens its 2019 [discussion](#) of rightsizing by arguing that “contrary to popular belief, organizational rightsizing is not a more friendly synonym for downsizing.” While the process may indeed include reductions in staffing and the curtailment of offices or programs, the distinction between downsizing and rightsizing rests on the assumption that the former is purely reactive – it is a defensive response market and financial pressures. Rightsizing should be more strategic, with a focus on shifting available resources by cutting in some areas to facilitate investment elsewhere.

“*In addition to laying off some employees, an organization that is rightsizing may then hire additional employees who have new skills and levels of expertise that the company is missing. They may also shift certain employees to new roles to better use their in-house knowledge and functional expertise in other areas. Rightsizing may add a new layer of management to increase guidance or reduce vertical layers to improve communication flow. Sometimes, rightsizing may result in larger departments to increase deliverable output.*”

*Small Business Chronicle, [August 2019](#)*

In a [December 2022](#) *Forbes* feature, Anna Baluch contends that rightsizing is defined by the strategic, purposeful way in which it is undertaken. She notes that “in most cases, it involves reducing your workforce, reorganizing your management team, and hiring new talent.”

Noting the impending decline in undergraduate enrollments, Nathan D. Grawe [argues](#) in *The Chronicle of Higher Education* for strategic shifts to focus more resources on retention and efforts to “make clearer the links between college studies and life after graduation.”

## RIGHTSIZING AND THE CURRENT HIGHER EDUCATION LANDSCAPE

Higher education continues to face declining traditional student populations, shifting demographics, changing perceptions of its value, and declining public funding. An August 2020 [study](#) by *The Hechinger Report* examined 2,264 colleges and universities in the United States for signs of financial distress. Their data, which predates the COVID-19 pandemic, found that “nationwide, more than 500 colleges and university show warning signs in two or more metrics.” The authors write that:

More than 50 public and nonprofit institutions have closed or merged since 2015, and experts expect to see more closures in the coming academic year. Even if colleges manage to stay open, they may have to make deep cuts to do so, which could ultimately hurt students as well.

Given that long-term enrollment and financial challenges can be tracked and often foreseen – one faculty member at Ohio’s struggling University of Rio Grande called the school’s persistent budget deficits and declining enrollments a “foreseeable train wreck” – the challenge becomes one of acting in time to mitigate the damage.

*Higher Ed Dive*, which maintains a list of public and private nonprofit colleges and universities that have “closed or merged, or announced plans to” between 2016 and 2023, currently [lists](#) 86 such institutions. This outcome is arguably among the most severe an institution can face, and the share of institutions engaging in smaller-scale restructuring and retrenchment has likely grown apace, though there is no clear data on the subject. *Inside Higher Ed*’s Colleen Flaherty published a 2019 [profile](#) of rightsizing initiatives at Allegheny College, which faces a declining applicant pool, Chatham University—which also converted from a women’s college to a coeducational institution—and Dominican University of California, which undertook its academic restructuring in part to improve retention.

# RIGHTSIZING BEST PRACTICES - STRATEGY

## RIGHTSIZING FOR THE RIGHT REASONS

Karen Gross, who served as president of Southern Vermont College until 2014, offers [seven strategies](#) for ensuring that rightsizing efforts bear fruit. Gross's former institution reached its peak enrollment in 2012 but [closed](#) effective fall 2019 after losing its regional accreditation and suffering financial mismanagement scandals including "a scare that the college's nursing program would lose its accreditation and revelations that a college financial adviser stole money." Gross [writes](#) that rightsizing is "something businesses have been doing successfully for years" and "takes realizing that enrollment is down for the foreseeable future and rethinking how an organization can be structured to meet current needs."

Gross's recommendations are summarized in the graphic to the right, but perhaps her most important piece of advice focuses on the very [tight time horizon](#) of rightsizing efforts:

Bottom line: Don't downsize and simply make cuts. Instead, rightsize by thinking about what the market demands now and two years from now—not 10 years from now. A budget can be cut without cutting to the heart of an institution.

Remember: Rightsizing is a strategy for today—not tomorrow. By then it will be too late. Sadly, I know all about that.

Writing for *The Week* in [May 2019](#), Rachel Lu argues that in the face of declining student demand for higher education, universities need to be proactive and strategic in positioning themselves for the future. The danger if they do not make adjustments is that university administrators and trustees may make self-interested, short-sighted decisions. One instance is the failed and disruptive 2015 attempt to close Virginia's Sweet Briar College, which has since [demonstrated](#) its continued viability. Another challenge Lu [notes](#) is major financial cuts imposed by state legislatures, which limit institutions' strategic options.

## SEVEN STRATEGIES FOR EFFECTIVE RIGHTSIZING

List summarizes and excerpts content from Gross, [2020](#).



**Align faculty in high-demand areas** – "Focus on programs with current strength and consider areas of high need in the next year or two. ... Understand, however, that an institution can't be all things to all students. Don't enter fields in which the institution has no expertise."



**Think about the physical plant, and land** – Upgrades to facilities and infrastructure should be undertaken with efficiency in mind. Leasing buildings, land, or facilities can be a revenue source.



**Cut administrative personnel and salaries** – Avoid heavy spending on consultants and fundraisers who cannot "raise enough to cover their salaries with money left over after 18 months." Seek to streamline administrative costs and structures.



**Create partnerships** – Work with regional colleges, businesses, and high schools to recruit and strive to meet workforce needs.



**Be honest about your institution's strengths and weaknesses** – Reassess assets and use them wisely to serve the marketplace.



**Act fast** – "Reflect on rightsizing at myriad campus meetings over a three-month period. Then, act."



**Make sure outside counsel is not married to liquidation or fearful of lawsuits** – "Do not hire the lawyer or law firm whose clients have gone into liquidation."

# RIGHTSIZING BEST PRACTICES - COMMUNICATION

## ENGAGING STAKEHOLDERS THROUGH CLEAR COMMUNICATION

A 2011 [feature](#) by Stevens Strategy on college and university rightsizing makes it clear that open communication with all impacted members of the campus community is essential for success. They write that:

The most demanding part of the process is assuring continuing lines of communications and support for 'right sizing' plans from all segments of the college community. Communications should not be limited to the board and key administrators; it should also include faculty, staff, alumni, and community representatives who have a stake in the on-going success of their college or university.

The matrix reproduced to the right highlights what Stevens Strategy considers the four core elements of effective rightsizing efforts in higher education.

Despite the fact that this imperative for open communication has been a known best practice for more than a decade, colleges and universities continue to struggle with it. For instance, the president of Utica University in New York State recommended cutting 12 degree programs in a January 18, [2023 announcement](#). The decision is supposedly based on an internal report by the university's Academic Program Review Taskforce. However, a member of the taskforce contended that the president's recommendations were not a "mirror image" of the report's conclusions. In fact, this source noted that "there were several things that were said there that I was kind of shocked about" and that "many more majors were suggested to be sunset in the president's presentation than we had recommended." The president's decision has prompted the university's American Association of University Professors' chapter to file a formal grievance over the matter.

## FOUR CORE CONCEPTS FOR EFFECTIVE RIGHTSIZING IN HIGHER EDUCATION

List derives from Stevens Strategy, [April 2011](#).





# RIGHTSIZING BEST PRACTICES – MAKING CUTS

## DECIDING WHERE TO CUT AND WHERE TO GROW

Strategies for translating cuts into tactical gains for the university are still being debated, with experts advocating differing priorities to use savings to position colleges and universities for long-term success. Rachel Lu's [2019 article](#) in *The Week* argues for a three-pronged approach to intelligent downsizing. Her advice is in some ways politically conservative, but also seeks to forestall a drift toward anti-intellectualism:

Higher education may be due for some downsizing, but it's possible to maintain globally competitive universities on a more reasonable budget. We simply need a shift in focus, prioritizing core university functions (teaching and research) over brand-boosting, virtue-signaling, and administrative vanity projects. Incentive structures should be adjusted to make that happen.

While Gross [argues](#) in favor of joint faculty appointments (with other institutions) and the use of adjuncts, it is notable that she largely agrees with Lu's other two recommendations.

Anna Baluch's [2022 Forbes article](#) on rightsizing identifies decreased morale, a negative employer brand, breaches of confidential information by disgruntled employees, and legal issues as potential challenges. In order to mitigate these challenges, she emphasizes the four practices shown on the bottom right.

The first three stages of the process involve determining which roles need to be preserved, eliminated, or altered to position the institution to fulfill its mission—all of these efforts should be conducted comprehensively before the initiative begins. Once the process is announced, leaders should remain attentive to feedback and critique, which may highlight areas where they should modify their strategy.

## THREE PRIORITIES FOR EFFECTIVE RIGHTSIZING

List reproduces content from Lu, [2019](#).



**Prioritize full-time faculty positions:** Lu argues that universities' ever-increasing reliance on adjunct faculty is unsustainable in the long-term. As institutions are forced to shrink, they should do so in a way that maximizes their use of full-time faculty.



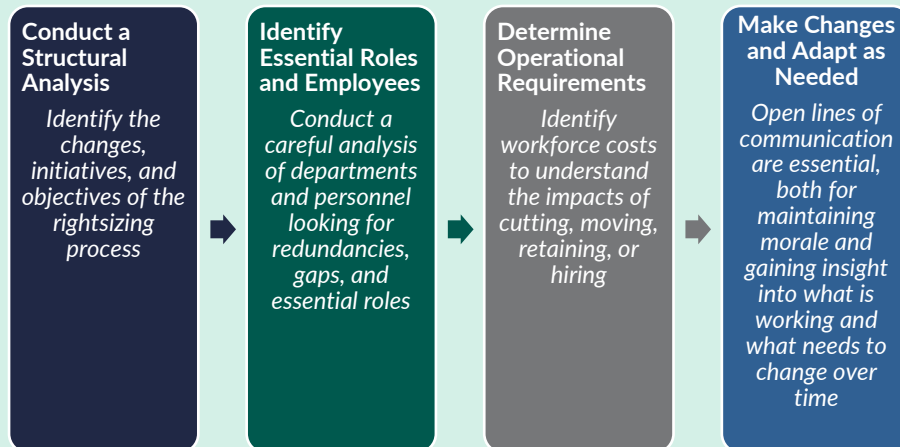
**Focus cuts on athletics and amenities:** This advice is based on the fact that many institutions continue to invest in expensive buildings and money-losing athletics programs, which she argues are obvious places to cut spending.



**Cut administrative salaries and positions:** Cost savings obtained by reducing administrative staff and salaries and consolidating functions can translate to reduced tuition bills, which Lu argues was part of Mitch Daniels' controversial reforms at Purdue University.

## FOUR STEPS FOR EFFECTIVE RIGHTSIZING

List summarizes content from Baluch, [2022](#).



# TWO CHALLENGES – TIMING AND FACULTY BUY-IN

## MAKING CHANGES TOO EARLY OR TOO LATE – TWO EQUALLY PERILOUS ERRORS

It is not hard to find examples of rightsizing and restructuring plans that have failed to deliver their promised benefits – either because they were enacted too late, executed on a poorly conceived strategy, or because planners failed to communicate and lost the trust of their stakeholders. The 2020 restructuring plan enacted by California University of Pennsylvania and profiled in Section II of this report is one such example, though multiple rounds of restructuring and institutional consolidation on the part of the statewide system may have doomed the plan from the outset. Had the university reacted when enrollments started to [decline](#) in the early 2010s rather than waiting until 2020, it may have achieved better results.

The True Commitment plan attempted by the president and provost of the University of Tulsa in 2019 is arguably the most contentious failed rightsizing attempt to date, in part because its necessity was debatable. An April 2022 [feature](#) in the university student newspaper describes the now-defunct initiative as a plan to:

...restructure all departments of the Kendall College of Arts and Sciences into four divisions; require the A&S faculty to teach a new general education curriculum known as ‘University Studies’; consolidate the Business, Law and Health Sciences schools into one ‘professional super college’; and eliminate 40% of the academic programs of the university. These eliminations would span all levels of college education up to a Ph.D.

Shared governance concerns were a central objection to the initiative and are discussed in Section II of this report. Critics also [questioned](#) the need for drastic cuts at an institution with a \$1 billion endowment and declining, but not critical, operating margins, however.

## ALIENATING THE FACULTY

As discussed in Section II, comparatively successful realignment initiatives such as the University of Southern Mississippi and Oberlin College are notable for their emphasis on shared governance and faculty-buy in. The University of Tulsa profile shows an extreme example of top-down administrative and board of trustee mandates dooming a radical restructuring plan before it could be implemented. One need not look hard to find other examples, however. The incipient backlash to the “Right Mix” initiative at Franklin Pierce University in Rindge, NH, [cites](#) the following four grievances. Namely, the Right Mix planning committee:

- Was comprised solely of administrators with no faculty representative
- Developed metrics that ignore the efficiency and profitability of each academic program
- Examined only Rindge academic programs to the exclusion of athletic programs, administrative departments, and non-Rindge academic units
- Failed to account for the elimination of majors in visual and performing arts along with steady staffing cuts in the liberal arts and humanities programs since 2014

The FPU Faculty Council of the College of Liberal Arts and [asserts](#) that “the ‘Right Mix’ process has not been an instance of shared governance.”

One useful strategy for both making the case that rightsizing is necessary and obtaining some level of faculty agreement is to benchmark the institution against a comparator group. An October [2020](#) New Mexico Legislative Finance Committee Brief on rightsizing the state’s higher education system observes that the state’s public colleges and universities offer 120 degree options per 100,000 adults, compared to 88 in Colorado, 71 in Arizona, and 43 in Texas (p. 6). Similarly, when the University of Maine [convened](#) a working group to study academic rightsizing in 2010, they recommended reducing the number of majors from 86 to 70 to “keep UM in line with its peer institutions nationally.”



# COLLEGE AND UNIVERSITY RIGHTSIZING CASE STUDIES

*Examples of rightsizing efforts and their outcomes, with an analysis of implications for academic college and department structures and faculty and administrative roles.*

## BACKGROUND

In August of 2017 the University of Southern Mississippi enacted a reorganization plan designed to reduce the number of colleges at the university from six to four, with modified roles for faculty directing the schools and department-level faculty leadership. The stated aims of the process **included** reduced administrative costs and heightened inter-departmental collaboration with a focus on “incentives and mechanisms that will promote inter- and multi-disciplinary teaching opportunities and encourage faculty to think about how the various disciplines in the curriculum can be better integrated” according to Department of History professor Max Grivno.

“

*Administrative units will be larger in size and scope, with emphasis on programs rather than departments, to promote collaboration and inter-disciplinary teaching and research, to realize economies of scale, to facilitate fluid reallocation of resources, and to reduce duplication in programming and administration.*

”

*USM Plan for Academic Reorganization, August 2017, p. 4*

As noted above, rightsizing plans that achieve faculty buy-in are much more likely to succeed, and starting in 2016 more than 100 USM faculty submitted 44 proposals for restructuring ([USM 2017](#), 3). The goals of the restructuring process are shown in the figure at the top of the next column and include a mix of academic and financial considerations. Planners hoped that the restructuring would enable the university to weather declining funding without eliminating academic programs and to reduce the “increasingly burdensome” demands on faculty in department chair roles ([USM 2017](#), 4).

## UNIVERSITY OF SOUTHERN MISSISSIPPI RESTRUCTURING OBJECTIVES

Figure reproduces content from *USM Plan for Academic Reorganization*, [August 2017](#), p. 4.

### Restructuring Objectives

Design an organizational structure that allows for greater flexibility and innovation as we recognize and expand upon the strengths in our community

Leverage our institutional strengths for greater capacity building in both instruction and research

Adopt a proactive strategy to meet financial challenges

Increase our ability to respond to changes in the external environment, particularly appropriation rescissions and/or reductions

Deploy resources strategically and intentionally

Attain administrative coherence, consistency in practice across disciplines, and opportunities for collaboration from arts to sciences and in professional programming

## CURRENT STATUS

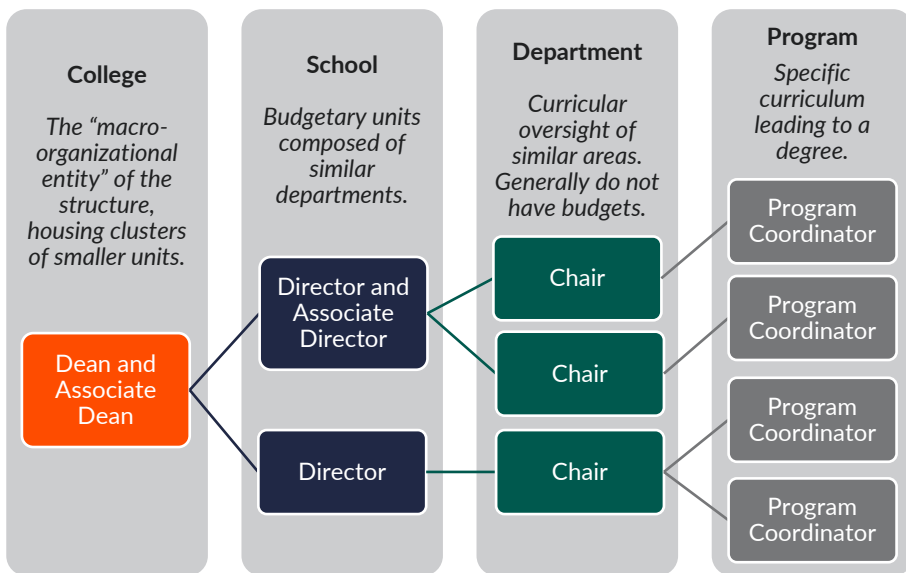
The University of Southern Mississippi [website](#) retains documents relating to the 2017 restructuring plan on a dedicated Office of the Provost website, but the most recent updates are from June 2019. Hanover could find no evidence from the past three years that the initiative is considered to have succeeded or failed to achieve its ends. Documents from the implementation period between 2017 and 2020 suggest that central policies, such as those governing tenure and promotion would be updated over time. A May 2018 [update](#) to the *Faculty Handbook's* Annual Evaluation and Tenure/Promotion policy governs pre-tenure tenure-track faculty through May 31, 2024, when it is meant to be superseded by a post-Vision 2020 policy.

## OVERVIEW OF STRUCTURAL CHANGES

The University of Southern Mississippi's new organizational structure nests individual academic programs within their offering departments, which are grouped into schools, which are overseen by colleges. This organizational structure is shown in more detail in the right-hand column, which reproduces the College of Arts and Sciences structure. There are three other colleges—Business and Economic Development, Education and Human Sciences, and Nursing and Health Professions—plus a Graduate School (USM 2017, 10-14).

## UNIVERSITY OF SOUTHERN MISSISSIPPI NEW STRUCTURE OVERVIEW

Figure reproduces content from USM Plan for Academic Reorganization, August 2017, pp. 10-14.



## EXAMPLE OF STRUCTURAL CHANGES

Figure reproduces content from USM Plan for Academic Reorganization, August 2017, pp. 9-10.

| College           | School   | Department  |
|-------------------|--|---|
| Arts and Sciences | Communication                                    | <ul style="list-style-type: none"> <li>➤ Communication Studies</li> <li>➤ Journalism, Public Relations, and Advertising</li> </ul>  |
|                   | Computing Sciences and Computer Engineering      | None  |
|                   | Construction and Design                          | None  |
|                   | Criminal Justice, Forensic Science, and Security | None  |
|                   | Humanities                                       | <ul style="list-style-type: none"> <li>➤ English</li> <li>➤ History</li> <li>➤ Philosophy and Religion</li> </ul>   |
|                   | Biological, Environmental, and Earth Sciences    | <ul style="list-style-type: none"> <li>➤ Ecology and Organismal Biology</li> <li>➤ Geography and Geology</li> <li>➤ Cell and Molecular Biology</li> <li>➤ Medical Laboratory Science</li> </ul>             |
|                   | Mathematics and Natural Sciences                 | <ul style="list-style-type: none"> <li>➤ Chemistry and Biochemistry</li> <li>➤ Mathematics</li> <li>➤ Physics and Astronomy</li> </ul>  |
|                   | Music  | None  |
|                   | Ocean Science and Engineering                    | <ul style="list-style-type: none"> <li>➤ Marine Science</li> <li>➤ Coastal Sciences</li> </ul>  |
|                   | Performing and Visual Arts                       | <ul style="list-style-type: none"> <li>➤ Art &amp; Design</li> <li>➤ Dance</li> <li>➤ Theatre</li> </ul>  |
|                   | Polymer Science and Engineering                  | None  |
|                   | Social Science and Global Studies                | <ul style="list-style-type: none"> <li>➤ Anthropology and Sociology</li> <li>➤ Economics and International Development</li> <li>➤ Political Science and Legal Studies</li> <li>➤ World Languages</li> </ul> |

## OVERVIEW OF REVISED ACADEMIC ADMINISTRATIVE ROLES

The USM Plan for Academic Reorganization defines the three administrative roles for academic departments as shown below.

### ROLES AND DEFINITIONS

Figure summarizes content from USM Plan for Academic Reorganization, [August 2017](#), pp. 20-21.

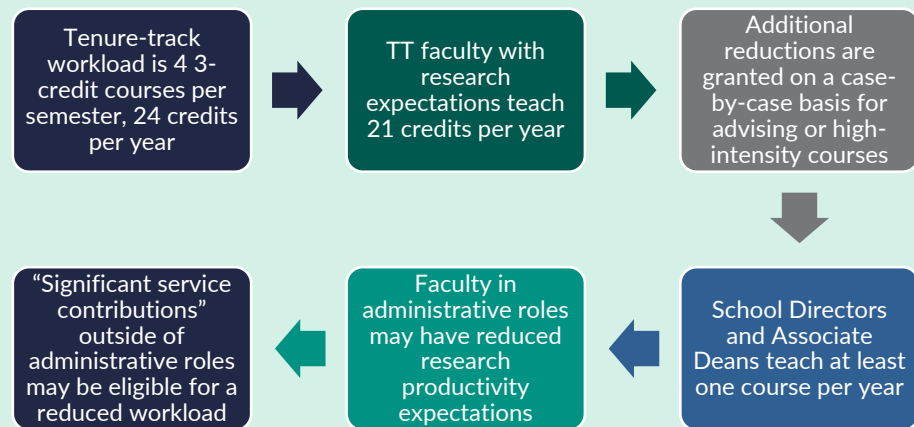
| Director<br>(School Level)   | Department Chair<br>(Department Level)  | Program<br>Coordinator<br>(Program Level)  |
|--|---|--|
| <ul style="list-style-type: none"> <li>Serves as the primary point of contact for the Dean and the representative of the School on the College Executive Council</li> <li>Appointed and evaluated by the relevant college dean</li> <li>Evaluated on the basis of administrative work and performance as a faculty member</li> <li>Serves as the primary leader for the school with administrative, managerial, budgetary, and personnel oversight</li> <li>Directors of larger schools may have a para-professional assistant director</li> </ul> | <ul style="list-style-type: none"> <li>Oversees curriculum delivery, manages assessment of programs, and represents programs during Summer Orientation</li> <li>Considered “faculty members who lead other faculty to effectively manage programs and advise the school director on matters related to faculty, student success, and curriculum”</li> <li>Main duties are assessment and collection of information</li> <li>Open to tenured faculty, who serve a three-year term</li> </ul> | <ul style="list-style-type: none"> <li>This faculty role serves as the “primary point of contact for that degree program”</li> <li>Not classified as an administrator</li> <li>Must be fluent in degree requirements, relevant career paths, and efficient progress to degree</li> <li>Provides information to the department chair and serves as a faculty representative of the program</li> </ul> |

## COMPENSATION FOR ADMINISTRATIVE SERVICE

The Department Chair and Program Coordinator roles are faculty positions ([USM 2017](#), 7). Associate Deans and school directors generally are required to teach one class per year. While it is recognized that faculty in Department and Program-level administrative roles should have reduced teaching and research expectations, these are allocated on a case-by-case basis and not counted as service obligations ([Faculty Handbook](#), 58).

### WORKLOAD AND COMPENSATION

[Faculty Handbook](#), p. 58.



## BACKGROUND

Oberlin College unveiled a departmental consolidation initiative as part of a broader plan to improve its declining financial position in March 2019. Projections at the time were [showing](#) that “if no changes are made to Oberlin’s budget, over the next five years Oberlin would see our deficit balloon to an unprecedented \$52 million.” The systemic plans to address this challenge ranged from cuts that were deemed “likely to generate significant pushback” to “proposed changes to the structure of academic departments within the College of Arts and Sciences.”

The process by which the academic reorganization was planned is outlined below, along with an account of other changes made as part of the restructuring. Major goals are [outlined](#) below.

### Rebalancing Enrollments

- Oberlin College is paired with a Conservatory. The College earned \$23.9 million in revenue in 2016-17, while the Conservatory had an \$11.9 million deficit. Planners sought to reduce Conservatory enrollment by 100 and increase College enrollment by the same amount.



### Enhancing Interdisciplinary Opportunities

- The plan would also allow “more robust music opportunities for College students,” since previously “80 percent of admitted Arts and Sciences students with a strong interest in music chose to go to other schools.”
- The shift toward higher College enrollments was also intended to increase interdisciplinary opportunities.



### Departmental Consolidation

- In addition to the broader, school-level restructuring, the college proposed to reduce its “32-department system to a model with five or six core academic divisions, each of which would house related departments and programs and share administrative oversight.”

## OBERLIN COLLEGE RESTRUCTURING OBJECTIVES

Figure reproduces content from *Rethinking the Way We Gather – Academic Reorganization of the Faculty in the College of Arts and Sciences*, [May 2020](#), p. 2.

### Restructuring Objectives

**Interdisciplinary Collaboration:** Increase inter- and multidisciplinary collaboration for both teaching and scholarship while respecting the strengths of intensive disciplinary education

**Adaptability:** Increase the College of Arts & Science’s ability to adapt rapidly and comprehensively to the ever-changing academic environment and capitalize on new opportunities

**Streamlined and More Cohesive Administration:** Improve the overall quality and consistency of academic administration, including the collaboration with the conservatory and non-academic units across the institution, and enhance communications across campus as well as develop better messaging about our high quality to the world

**Reduce Costs and Administrative Course Releases:** Enhance administrative efficiencies so as to realize substantial reductions to baseline operating costs and increase access to classes through the reduction of faculty course releases for administration

## CURRENT STATUS

In terms of fiscal savings—originally [expected](#) to be \$750,000 per year—the outcomes of the reorganization remain unclear, and results have been impacted by the pandemic. The college’s S&P bond rating was [downgraded](#) to AA- in April 2021 and both the S&P and Moody’s outlooks were changed from “stable” to “negative” in 2021. However, the 2021 *Annual Report* contends that the 2019 *One Oberlin* plan, which included the academic restructuring, “was instrumental in providing the framework for reacting to the realities of the on-going pandemic” (pp. 8-9). The 2022 *Annual Report* [retains](#) this language (p. X).

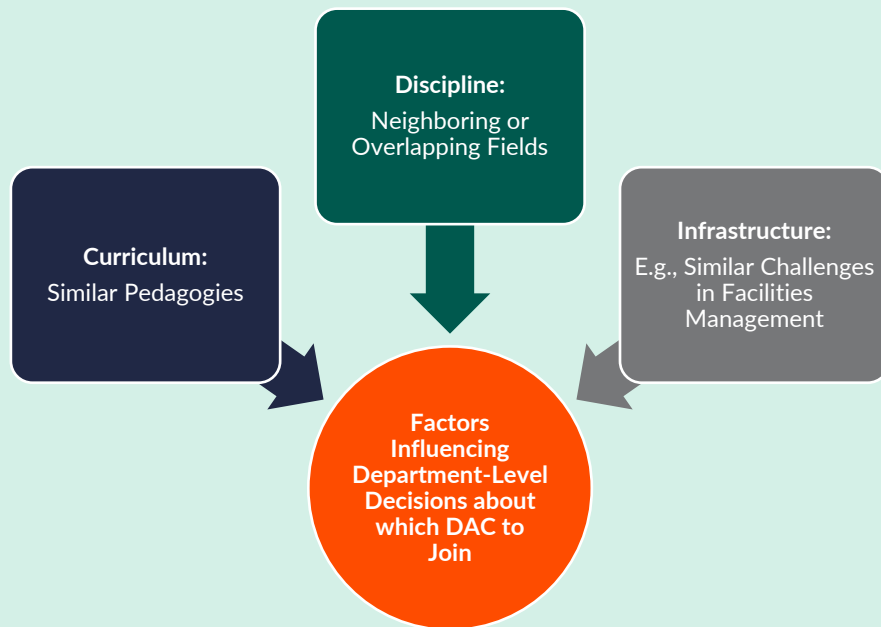
## OVERVIEW OF PROJECTED OUTCOMES

The May 2020 *Rethinking the Way We Gather - Academic Reorganization of the Faculty in the College of Arts and Sciences restructuring roadmap* lists the following “concrete outcomes.” The plan is intended as a proactive response to the post-2025 undergraduate enrollment cliff (p. 2).

| Goal | Description  | Potential Metrics  |
|------|--|--|
| 1    | Saving roughly \$750,000 per year (preliminary estimate) achieved through consolidation of administrative staffing made possible by greater administrative efficiency and greater utilization of technologies that can support such needs  | <ul style="list-style-type: none"> <li>Staffing costs</li> </ul>   |
| 2    | Recovering four full-time equivalents (FTE) amounting to 18 courses in department chair course releases, which: a) reduces the need for visiting professors; b) adds potential support for the First Year Seminar Program; c) adds teaching capacity for the 100-student addition to the College (shift from the Conservatory) d) helps alleviate problems with access to classes, especially for first and second years | <ul style="list-style-type: none"> <li>Reduced course release needs for administrative duties</li> <li>Increased potential faculty for first-year programs</li> <li>Increased teaching capacity</li> </ul> |
| 3    | Enhancing the breadth of consultation on future strategic additions and reductions of faculty lines  | <i>Unclear</i>   |
| 4    | Reducing administrative redundancies and inefficiencies across the Arts & Sciences that needlessly consume faculty and staff time and effort and reduce job satisfaction   | <ul style="list-style-type: none"> <li>Administrative burden</li> <li>Faculty and staff satisfaction</li> </ul>  |
| 5    | Enhancing engagement with alumni across the Arts & Sciences as well as better communication strategies to convey our high quality to the world   | <ul style="list-style-type: none"> <li>Increased alumni engagement or contributions</li> </ul>   |

## PROPOSED PROCESS FOR REORGANIZING DEPARTMENTS

The May 2020 document proposes a Divisional Advisory Committee (DAC) structure to “streamline communication between departments/ programs and central offices” and enable larger-scale collaboration (pp. 5-6), and the process by which they enacted this restructuring was notably collaborative. When forming the 32 preexisting departments into DACs, planners sought to allow departments to select their own unit groupings based on a range of factors. Departments could potentially join more than one DAC to facilitate interdisciplinary efforts (pp. 7-8), and all departments are expected to join at least one DAC (p. 7):





## DIVISIONAL ADVISORY COMMITTEE CONVENERS AND DEPARTMENT CHAIRS

Planners have proposed a “point system” for DAC committee service, with each tenure-track faculty member expected to earn at least three points per academic year. Department chairs would automatically earn two points per year. The DAC model also “proposed the elimination of all course releases and stipends for department and program chairs, saving 18 course release for faculty administration” (p. 10). Even so, departments would still have chairs. The major new DAC office would be the “divisional convener,” who “chairs the [monthly] DAC meetings and functions as the primary spokesperson for the division in its communication with central offices.” Serving as a convener will satisfy the three-service-point requirement for tenure-line faculty (p. 7).

DACs are intended to centralize a range of functions such as curriculum development, course planning and scheduling, facilities coordination, admissions, consulting with the registrar, event coordination, and DEI efforts (pp. 7-8).

In revising the compensation or course release for department chairs under the DAC model, the restructuring planners proposed to modify the preexisting structure whereby the department chair compensation was based on the number of FTE faculty in the department (p. 10). Instead, the committee:

...proposes the use of an objective formula for determining chair compensation that more accurately captures the work done by chairs. This model would be based on the number of individuals with whom the chair works, rather than FTE, and would count the number of tenure-track, tenured, and visiting faculty along with other staff and a three-year average of graduating majors. (p. 10)

## COMPENSATION AND WORKLOAD FOR CHAIRS OF ACADEMIC DEPARTMENTS AND PROGRAMS

### Department Chair Workload Formula

$$\begin{aligned}
 & \text{Number of Tenure Track Faculty} \times 325 \\
 & + \text{Number of Tenured Faculty} \times 200 \\
 & + \text{Number of VAPs} \times 200 \\
 & + \text{Number of Other Staff} \times 100 \\
 & + \text{Three-Year Average Number of} \\
 & \quad \text{Graduating Majors} \times 10 \\
 & = \text{Total Compensation Points.}
 \end{aligned}$$

*Academic Reorganization of the Faculty in the College of Arts and Sciences, [May 2020](#), p. 10.*

Oberlin’s newly revised department chair compensation and workload formula is reproduced to the right. The final counts for each category will be verified with the College Business Manager on an annual basis. The stipends and course releases associated with different point intervals are shown below.

## CHAIR STIPENDS AND COURSE RELEASES

*Academic Reorganization of the Faculty in the College of Arts and Sciences, [May 2020](#), p. 10.*

| Formula Points | Department Chair Stipend | Course Releases |
|----------------|--------------------------|-----------------|
| 0-499          | \$500                    | 0               |
| 500-999        | \$1,000                  | 0               |
| 1,000-1,499    | \$1,500                  | 0               |
| 1,500-1,999    | \$2,000                  | 0.5             |
| 2,000-2,999    | \$2,500                  | 1               |
| 3,000 +        | \$2,500                  | 1.5             |

## BACKGROUND

California University of Pennsylvania (Cal U) was one of the fourteen Pennsylvania State System of Higher Education (PASSHE) universities until its consolidation with Clarion University and Edinboro University was **announced** in September 2020. This institution-level **merger**, which went into effect July 1, 2022 in response to declining state funding and enrollments, has failed to stem the three constituent universities' declining enrollments. In November 2022 the administration **announced** that that fall and the previous year the system had lost 20 percent of its students, which will require another round of program consolidation across the three campuses in the coming year. The demographic challenges facing the region's universities are longstanding and especially severe as **recounted** by Trib Total Media:

Plummeting enrollment and increasing costs led to the merger, according to PASSHE officials. The three formerly independent schools together averaged almost a 50% decrease in student enrollment over the past decade.

Prior to the September 2020 announcement that Cal U would be merged into the three-campus PennWest University, the Cal U leaders announced a campus-level program restructuring and consolidation plan in June 2020. It is this June 2020 consolidation, which was designed to enhance Cal U's viability as an independent institution, that is the focus of this profile. Based on subsequent events—namely the PennWest consolidation and the recently announced additional program cuts and consolidation across the three member campuses—it is clear that the upheaval caused by multiple rounds of restructuring can be inadvertently demoralizing to faculty and students alike.

The June 2020 consolidation **sought** to consolidate the university's undergraduate colleges and academic departments to save “in excess of \$700,000 per year by reducing personnel costs and related expenses.”

## CALIFORNIA UNIVERSITY OF PENNSYLVANIA 2020 RESTRUCTURING OBJECTIVES

Figure reproduces from Trib Total Media, [June 2020](#), and Middle States Update, [August 2020](#), p. 3.

### Restructuring Objectives

**Increase Collaboration and Streamline Specialized Accreditation Processes:** The plan “will strategically align accreditations – recognition that academic programs meet standards of excellence – and pair academic programs and faculty that can collaborate and share qualifications”

**Enhance Operating Efficiency:** “Plans for a comprehensive redesign in the system require Cal U, which has seen a 27% decline in enrollment over the last decade [as of 2020, prior to subsequent steep declines in PennWest enrollments], to have a plan to reach financial sustainability within two years”

**Improve the University's Academic Offerings:** “This realignment was designed to streamline academic operations, provide greater consistency for student experiences, expand teaching opportunities within departments for permanent faculty, align specific program accreditations within departments, and enhance the culture of assessment at Cal U”

## CURRENT STATUS

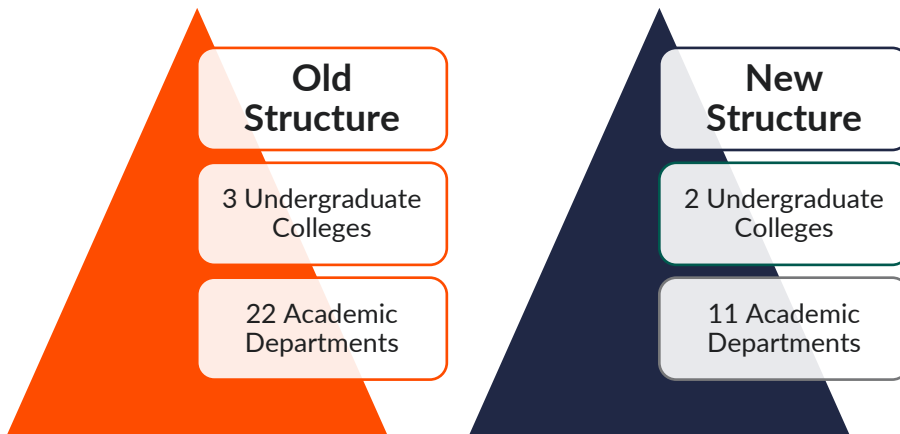
The initiative **appears** to have been completed prior to the July 2022 merger that formed PennWest University, though its precise impacts on the financial or academic viability of the university are difficult to gauge due to the ensuing upheaval. However, as of August 2020, the cost-saving projections were projected to exceed the initial \$700,000 estimate:

Improved efficiencies were also achieved with a reduction of [Collective Bargaining Agreement] mandated faculty workload equivalency releases from 10.75 to 6.75 FTE and a reduction of staff positions from 19.75 to 14.00 FTE for an estimated annual cost savings in excess of \$800,000 per year. (p. 3)

# CALIFORNIA UNIVERSITY OF PENNSYLVANIA (2/3)

## OVERVIEW OF THE 2020 CONSOLIDATION PLAN

Cal U's 2020 consolidation plan impacted its undergraduate programs and departments and reduced both the number of component colleges and the number of departments within those colleges. The breakdown of changes is provided below. No academic programs or faculty or administrative positions were cut as part of this process, though the move was intended to ensure that "more courses will be taught by permanent faculty instead of temporary instructors" in alignment with the best practices outlined in Lu, 2019 (see Section I).



As indicated above, Cal U's report to the Middle States accreditors indicates that the restructuring freed up administrative faculty to teach by reducing the number of deans and department heads. To serve the newly expanded departments, the university assigned each college a dean and assistant dean, each of whom would have a dedicated administrative assistant. Each academic department would also be served by a clerk-typist.

## OVERVIEW OF STRUCTURAL CHANGES

Figure reproduces content from California University of Pennsylvania Academic Reorganization 2020.

| College                                | Department  | Academic Programs  |   |
|--|---|--|---|
| Eberly College of Science & Technology | Biology, Geology, and Environmental Sciences                      | <ul style="list-style-type: none"> <li>➤ Anthropology</li> <li>➤ Biology</li> <li>➤ Environmental Studies</li> <li>➤ Fisheries &amp; Wildlife</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Geology</li> <li>➤ Molecular Biology</li> <li>➤ Veterinary Technology</li> </ul>   |
|  | Business, Economics, and Enterprise Sciences                      | <ul style="list-style-type: none"> <li>➤ Accounting</li> <li>➤ Business Administration</li> <li>➤ Economics</li> <li>➤ Finance</li> <li>➤ Geography</li> <li>➤ Human Resource Mgmt.</li> </ul>                             | <ul style="list-style-type: none"> <li>➤ Interdisciplinary Studies in Business &amp; Commerce</li> <li>➤ Management</li> <li>➤ Marketing</li> <li>➤ Parks &amp; Recreation Mgmt.</li> </ul>   |
|  | Computer Science, Information Systems, and Engineering Technology | <ul style="list-style-type: none"> <li>➤ CADD</li> <li>➤ Computer Engineering Tech.</li> <li>➤ Computer Information Systems</li> <li>➤ Computer Science</li> <li>➤ Cybersecurity</li> <li>➤ Digital Media Tech.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Electrical Engineering Tech.</li> <li>➤ Industrial Tech.</li> <li>➤ Industrial Tech. Mgmt.</li> <li>➤ Mechatronics Engineering Tech.</li> <li>➤ Robotics Engineering Tech.</li> <li>➤ Unmanned Aerial Systems/Drone Tech.</li> </ul> |
|  | Exercise Sciences and Sport Studies                               | <ul style="list-style-type: none"> <li>➤ Exercise Sciences (with multiple certificates)</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Sports Mgmt.</li> </ul>  |
|  | Health Sciences   | <ul style="list-style-type: none"> <li>➤ Athletic Training</li> <li>➤ Gerontology</li> <li>➤ Health Science</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Physical Therapist Assistant</li> </ul>  |
|  | Mathematics and Physical Sciences                                 | <ul style="list-style-type: none"> <li>➤ Applied Mathematics</li> <li>➤ Chemistry</li> <li>➤ Earth Sciences</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Mathematics</li> <li>➤ Physics</li> <li>➤ Statistics &amp; Data Science</li> </ul>   |
|  | Nursing and Allied Health   | <ul style="list-style-type: none"> <li>➤ Radiologic Technology</li> </ul>  | <ul style="list-style-type: none"> <li>➤ Nursing: RN-BSN and MSN</li> </ul>   |

## IMPLICATIONS FOR FACULTY

The 2020 consolidation effort resulted in fewer faculty serving in administrative roles, since the number of department chairs was cut in half. Planners **noted** that each newly formed department would elect a chair via a process that “follows APSCUF [Association of Pennsylvania State College & University Faculties] guidelines.” As part of the process, “some faculty may be assigned new student advisees.”

Faculty Senate meeting minutes from April 20, 2020, when the initiative was first introduced, indicate that those present had several questions about the equity of the proposed structure. Many concerns focused on how the new structure would ensure fairness across consolidated departments. Questions **included**:

- How will administration ensure equitable treatment of all programs, particularly in larger proposed departments as sheer faculty numbers in department could risk preferential treatment of some programs?
- How will fairness and equity be protected for to tenure, promotion, and departmental committees such as curriculum & evaluation?
- How will equity and fairness be ensured in providing faculty opportunities to serve on university committees, as this is a valuable component for evaluation, tenure, and promotion?

Department chair course release and stipend policies are **determined** by the APSCUF collective bargaining agreement and are standardized across all PASSHE institutions. The stipend value and minimum workload equivalents are shown in the tables to the right. In some cases, a department chair may be eligible for an assistant department chair subject to the approval of the university president. Relevant factors considered in that calculation include the number of faculty, number of majors and non-major students served, number of disciplines in the department, and accreditation responsibilities (pp. 10-13).

## OVERVIEW OF STRUCTURAL CHANGES, CONTINUED

Figure reproduces content from California University of Pennsylvania [Academic Reorganization 2020](#).

| College   | Department                             | Academic Programs   |  |
|---|--|---|--|
| College of Education and Liberal Arts<br><br>(Also houses the federal TRIO program) | Education                              | ➤ Childhood Education<br>➤ Special Education                      | ➤ Secondary Education and Administrative Leadership                  |
|   | Health and Human Service Professionals | ➤ Communication Disorders<br>➤ Counselor Education                | ➤ Social Work  |
|   | Humanities                             | ➤ Art<br>➤ History & International Studies                        | ➤ Jurisprudence<br>➤ Languages<br>➤ Political Science<br>➤ Sociology |
|   | Culture, Media, and Performance        | ➤ Art History<br>➤ Communication<br>➤ English<br>➤ Graphic Design | ➤ Music<br>➤ Philosophy<br>➤ Theatre                                 |

## APSCUF DEPARTMENT CHAIR STIPENDS AND WORKLOAD EQUIVALENCES

Figure reproduces content from the [current](#) APSCUF collective bargaining agreement, pp. 12-13.

| Dept. Size (Faculty FTE) | Stipend Value |
|--------------------------|---------------|
| 1-5                      | \$1,500       |
| 6-10                     | \$2,100       |
| 11-15                    | \$2,700       |
| 16-20                    | \$3,600       |
| 21-25                    | \$4,200       |
| 26+                      | \$4,800       |

| Dept. Size (Faculty FTE) | Minimum Workload Equivalent |
|--------------------------|-----------------------------|
| 1-9                      | 25%                         |
| 10-20                    | 50%                         |
| 21+                      | 75%                         |

## UNCLEAR PLANNING, DRACONIAN CUTS, AND POOR COMMUNICATION

The University of Tulsa's (TU) 2019 True Commitment academic restructuring plan is arguably the most notable example of how these plans can backfire and fail in an extremely public way that damages trust within an institution and the reputation of the university more broadly. The restructuring plan was initiated by its then-president, Gerard P. Clancy, with much of the development attributed to the then-provost, Janet K. Levit. When he was [inaugurated](#) in 2017, Clancy cited the university's "\$25-million deficit, building spree, and enrollment declines," as well as declining net revenue per student, as reasons to change the university's academic structure and portfolio. At the time, TU had an endowment valued at more than \$1 billion.

True Commitment was [envisioned](#) as a radical restructuring of the university's programs and departments in addition to a 40 percent reduction in its program portfolio. The plan proposed program [cuts](#) to Arts and Sciences (31 degrees), Engineering and Natural Sciences (15 cuts and 12 restructures), and Business (10 cuts). It also called for the dissolution of the university's colleges and their component academic departments, which would be grouped into an arts and sciences-focused "University Studies" general education "division" and a "Professional College" to include the schools of business, law, and health sciences.

By November [2019](#), seven months after the plan and its attendant cuts were first unveiled, the "Faculty Senate [had] moved to condemn the administration for trying to execute the restructuring plan without proper faculty input" and voted no confidence in the president and provost. A faculty counterproposal which would have limited the number of program closures to 28, rather than the initial 84, was rejected by the Board of Trustees. By early 2020 Clancy had resigned—ostensibly due to health concerns—and Levit has since left the university as well.

## UNIVERSITY OF TULSA TRUE COMMITMENT TIMELINE

Infographic summarizes and synthesizes content from Supiano, [2019](#), Fisher, [2019](#), and Walsh, [April](#) and [September](#) 2022.

On April 11, 2019, TU president Gerard Clancy announced the implementation of its True Commitment strategic plan in a faculty-wide meeting. The plan called for the consolidation of academic departments into three schools and the elimination of 40 percent of TU's degree programs, with most cuts in the humanities.

Recommendations were developed by the Provost's Program Review Committee in response to rising costs and stagnating enrollments.

The strategy responded to a 2018 Higher Learning Commission accreditation report that cited TU for poor academic program review efforts.

While the president and provost, who spearheaded the True Commitment initiative, received unwavering support from the Board of Trustees and claimed no faculty layoffs would occur, faculty and student backlash was widespread, both because of the severity of the cuts and concerns over shared governance.

The Faculty Senate voted against the plan by a margin of 89 to 4, citing a lack of shared governance as their central grievance.

The faculty voted no confidence in Clancy and provost Janet Levit's leadership by margins of 157-44 and 161-41.

The confrontation between the president, provost, and trustees and the faculty grew increasingly acrimonious in 2019. President Clancy stepped down in January 2020 and Levit served as interim president until 2021. The True Commitment plan was never implemented, though limited program cuts were enacted.

The plan's financial impacts were deemed limited, since it reduced programs but not faculty lines, resulting in minimal cost savings.

The current direction of the university remains uncertain as a new president and provost assume their roles. University morale remains very low.

## FACULTY, STUDENT, AND ADMINISTRATOR IMPACTS

References to the plan after 2019 are scarce, and an AAUP feature [describes](#) it as having been “unceremoniously abandoned” in 2020, but a 2022 student newspaper retrospective summarizes True Commitment’s limited [results](#) as follows:

- All of the original university schools and colleges continue to exist – they were not consolidated as envisioned.
- While “many of the programs” intended for elimination “are indeed no longer offered at TU,” the cuts were not as deep or severe as initially proposed.

The AAUP [notes](#) that the university unveiled a new strategic plan in summer 2021, and “few architects of the original plan remained in positions of influence or authority.” Likewise, the prevailing sentiment among students was [negative](#):

And students – the ones who spoke up, anyhow – were less than thrilled. Shortly after the announcement, many of them came together on the campus green to hold a mock funeral for the liberal arts at Tulsa, complete with a fake coffin and paper headstones bearing the names of doomed programs. They dressed in black, some holding signs with messages like, ‘You killed my degree’ and ‘True Commitment to who?’

Criticisms of the plan include its abrupt timing and lack of faculty participation, the limited evidence that cost savings would result from the cuts, and threats to the academic integrity of the university. These are summarized in the excerpted quotations to the right.

## UNIVERSITY OF TULSA TRUE COMMITMENT RETROSPECTIVE ADVICE

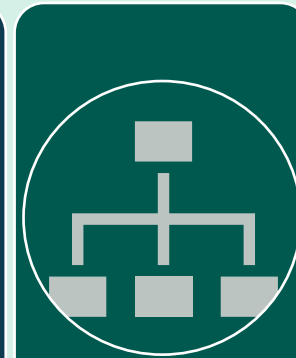
Infographic excerpts content from Fisher, [2019](#), Walsh, [2022](#), and Hindman, [2021](#).



“Clancy and Levit find themselves wishing they could turn back the clock, maybe 10 years or so, to give the university a chance to review itself and make changes at a more reasonable pace. The consensus seems to be that the transformation happened too abruptly, catching too many faculty off-guard and allowing too little time for Tulsa to grapple with the impending changes.”



“The perceived lack of transparency coincided with a notion that the plan would not actually save the university all that much money. One internal estimate claimed that the plan would reduce the overall budget by four million dollars over five years. The primary cost of an institution lies in its salaried employees, and while True Commitment promised to cut programs, it did not outright fire or remove faculty. The apparent inconsistencies fueled staff speculation.”



“TU risked succumbing to an adisciplinary, and perhaps antisciplinary, management-centered ethos that would have rendered faculty members ill-equipped to evaluate one another for promotion and tenure, powerless to maintain curricular standards as their capacity to enforce these standards wanes, and unable to preserve connections to the national and international disciplinary communities that help academia thrive.”



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