

NMU Strategic Resource Allocation Project 2018 Executive Summary

SRA's Conceptual Framework

As part of its ongoing strategic planning, Northern Michigan University began discussing a strategic resource allocation (SRA) project in winter 2016 and fully implemented the initiative during the 2017-18 academic year. The SRA project supports NMU's strategic plan, "Investing in Innovation: The vision and courage to lead transformational change," by identifying opportunities for transformational change and reallocating resources to implement them.

The review of 607 program templates by the Strategic Resource Allocation Academic Task Force and Support Task Force provided wide-ranging recommendations for change. The Implementation Task Force's review of the recommendations individually and collectively reveals even more transformational opportunities. The ITF's panoramic view of the recommendations combined with the latest enrollment trends suggests opportunity for Northern to make the kind of fundamental paradigm shift needed to be one of today's most progressive universities.

Higher education is in a period of major transition and Northern's vision is to be among the higher education change leaders. The Strategic Resource Allocation recommendations demonstrate well the idea that all campus units can help drive Northern to the forefront of higher education's current remodeling. Regardless of the quintile to which a program was assigned through the SRA process, all NMU areas must be motivated and inspired to work toward their next level of excellence and ongoing innovation.

The Strategic Resource Allocation process has not revealed a definitive dollar figure for new investment funding yet because so many of the recommendations are still in a preliminary stage. However, this should not hold NMU back from starting to plan for the type of change that will put it among the ranks of premier institutions. It is with this in mind that President Fritz Erickson and the Implementation Task Force bring forth more than a dozen academic and support transformation initiatives in addition to the 607 individual program recommendations made by the two task forces. These transformation initiatives have the potential to raise Northern's prestige and distinction, grow enrollment, expand partnerships, streamline educational distribution and business operations, and enhance the overall Northern experience.

The Implementation Task Force will with division leaders to create transformation work groups where they are needed for transformation initiatives. Some work groups have already been defined; others need to be created. Transformation work groups will present preliminary proposals to the ITF by May 1, 2019.

Academic Transformation Initiatives

Academic recommendations that have curricula, degree completion or faculty/master agreement elements will undergo the academic review processes as outlined in the AAUP Master Agreement and NMUFA Agreement.

The ITF recommends five transformation initiatives:

1. Diversifying the academic experience.

The President and the ITF recommend that Northern formally develop programs, services and other opportunities that guarantee graduates leave NMU with not only a degree or certificate, but with multiple skills that support employment for today and the future. Higher education has traditionally trained students to graduate with a comprehensive skill set that focused on a single

academic major. This could include “micro” or “nano” credentials that enhance the current degree of graduates. In today’s ever-changing workplace, the advantage goes to the worker who possesses multiple and relevant skill sets. To diversify the higher education experience in transformational ways means completely shattering the silos between theory-based and applied degrees, between baccalaureate and career-technical, and between academic departments. In order for students to develop multiple skill sets, the traditional definitions and distribution methods must be seriously considered and, where appropriate, reduced in size. The President and ITF recommend the following two actions as a starting point for diversifying the academic experience:

a. Fewer credit hour requirements for majors and bachelor’s degrees.

No major exceeds 36 credits unless state or professional requirements mandate it and no bachelor’s degree is greater than 120 credits without rationale accepted by the Provost as a way of ensuring students expand their exposure to multiple disciplines. Additionally, all certificate programs greater than 16 credits will need to provide the Provost with evidence-based rationale for why a greater number is required than the standard of 16 credits.

b. Discontinue a minor as a graduation requirement.

Students may earn a minor(s) if they choose to do so, but Northern will discontinue requiring one for graduation. Departments/schools may still require a specified minor for academic/professional reasons such as certification. This recommendation also decreases the minimum credit requirement for an NMU minor from 20 to 16 credits. This proposal allows students more flexibility to engage in different academic areas and has the potential to facilitate a more timely graduation. It better supports the statewide effort for seamless transfer from community colleges. More student-designed minors and departments replacing a minor with competencies are ideas that keep with current higher education trends and employer requests. This proposal is outlined in more detail in Appendix C of the Academic Task Force Report.

2. Merge General University Studies into two degrees.

The President and ITF accepts the Academic Task Force’s recommendation to eliminate the Associate of Applied Science General University Studies with its 62 concentrations, and recommends replacing it with either an Associate of Arts General Studies or an Associate of Science General Studies degree. Keeping General University Studies degree options is important because of the large number of NMU students who rely on the Tuition Incentive Program (TIP) funding to cover the cost of the first two years of their college education. Many go on to complete a bachelor’s, but TIP funding can only be used toward the completion of an associate degree. Rather than formal concentrations, students will take courses in the areas of their interest. This proposal is outlined in depth in Appendix B of the Academic Task Force report.

3. Review all secondary education programs and determine demand/need/alignment.

The President and ITF support the Academic Task Force’s recommendation that a transformation work group be formed to review all secondary education programs and determine demand and need. It will also review all secondary education STEM majors offered by the School of Education Leadership and Public Service and involved departments to ensure major/minor options are best meeting the needs of students. Educating students to be the most innovative and competent teachers is the foundational academic endeavor of the institution and should always be a progressive activity.

4. **Create two new colleges: Honors College and the College of Graduate Studies and Research.**

The President and the ITF recommend the creation of two new colleges, an Honors College and a College of Graduate Studies and Research.

- a. **Premier universities have highly successful Honors Colleges.** The explosive growth of Northern's current Honors Program makes this the appropriate time for this change. This College would strategically enhance the honors student experience, increase NMU's enrollment and expand Northern's overall reputation. The transformation work group will develop the model(s), estimated budget, process and timeline needed to transform the NMU Honors Program into a nationally recognized Honors College.
- b. **Premier universities have progressive Colleges of Graduate Studies and Research.** The dean of this College would focus on setting strategic direction for expanding graduate studies, improving the graduate student experience, and supporting research and scholarship. The transformation work group for this initiative will develop the model(s), estimated budget, process and timeline needed to transform the NMU Office of Graduate Studies and Research into the College of Graduate Studies and Research.

5. **Restructure Northern's academic organizational structure.**

The President and ITF recommend a transformation work group to restructure Northern's academic organizational structure in a way that increases synergy, enhances students' ability to graduate with multiple skill sets, streamlines administrative processes and procedures, and creates academic areas that best reflect the 21st century global workforce. Many of the transformational change suggestions in the SRA program review templates and in discussions already taking place on campus have cultivated intriguing realignment opportunities. Supporting the recommendation of the Academic Task Force, the transformation work group can dig deeper into the idea of learning hubs that advance interdisciplinary teaching and learning, as well as eliminate program redundancies and similarities between departments. It should also review the work of the Academic Affairs ad hoc group did recently to examine varying college models so as not to duplicate research already done.

Support Transformation Initiatives

It appears that possible reorganization or remodeling of some support programs might realize a better return on investment than simply addressing each task force program recommendations individually. When looking at the task force recommendations panoramically, there appears to be significant opportunity for transformational change within some support units.

The President and ITF recommend the creation of transformation work groups to complete the following:

1. Combine the Beaumier U.P. Heritage Center, the Center for U.P. Studies, including the Sonderegger Symposium, and the oversight of the Beaumier Alumni Welcome Center under one director.
2. Redefine the role of the Multicultural Education and Resource Center in supporting Northern's university-wide diversity and inclusion efforts.
3. Develop an enhanced advising and student-faculty mentoring model.
4. Remodel the First-Year Experience Program, including Freshman Seminar.

5. Expand Career Services role in internships, corporate and alumni relations and use of next-generation technology in career planning and placement.
6. Restructure Northern's international student services, recruitment and activities, as well as internationally related faculty activities.
7. Re-envision the model for the Center for Student Enrichment to ensure success for our students.
8. Create a distinct unit that responds to changes in student preferences for education program by quickly conceiving of, developing, and launching experimental academic programs. The transformation work group will explore ways for this unit to support faculty and staff in concept design and market research for the rapid creation of academic programs and services.
9. Complete the external review of and new strategic plan for Wildcat Athletics.
10. Create more collaboration between custodial and maintenance service units.

Review: The SRA Process

The Strategic Resource Allocation project was modeled after Robert C. Dikerson's *Prioritizing Academic Programs and Services*, but customized to NMU. Larry Goldstein, CEO of Campus Strategies LLC, was hired by Northern in 2015 to serve as a consultant on the project. Goldstein was on campus during the winter 2016 semester to assist with the planning of the Northern's SRA project, which was fully undertaken during the 2017-18 academic year.

At the start of the Strategic Resource Allocation project, members of the NMU faculty and staff were selected to serve on one of two program review task forces: the Academic Task Force or the Support Task Force. No executive administrators were members of either review task force. Program managers of all academic and support programs were provided information about university resources and expenses related to each of their programs. They were asked to complete a template of comprehensive questions for review by the appropriate task force, and then categorize each program into one of five quintiles. The templates completed by the program managers included data for the program from the snapshot year of 2015-16, the last year of completed data prior to the start of the project. A program was defined as any university account that received general fund or other university-managed support, including grant projects.

The task force was to review the template submissions and categorize each into one of the following quintiles (as defined in *Prioritizing Academic Programs and Services*):

- **Quintile 1 - *Recommend for enhanced resources*:** programs in this quintile are highly important to serving the mission and core values of the institution and could benefit from receiving more institutional support and resources.
- **Quintile 2 - *Recommend continuing with existing resources*:** programs in this quintile are important to serving the mission and core values of the institution and are currently receiving adequate support and resources.
- **Quintile 3 - *Recommend continuing with reduced resources*:** programs in this quintile are important to serving the mission and core values of the institution, however, the provided data seemed to suggest that the program was consuming more resources than needed to provide their function.

Quintile 4 - Recommend transformation with revised resources as appropriate: programs in this quintile are important to the mission and core values of the institution, but could possibly benefit from merging with another department due to redundancies, restructuring, or could be considered for privatization.

- **Quintile 5- Recommend consideration for phase out by senior leadership:** programs in this quintile appear to be less important to serving the mission and core values of the institution and/or they present the most serious fiscal issues. These programs could be candidates for further assessment, consolidation, reduction, or outsourcing.

The Academic Task Force reviewed 357 programs and the Support Task Force, 250 programs. The task forces recommended quintile placement based on program expenses, enrollment and other related data trends, and measurable return on investment. The desired outcome was that each of the five quintiles would contain roughly 20 percent of university expenditures.

In summer 2018, the Implementation Task Force (ITF), made up of the president (who had a non-voting role), vice presidents, assistant vice president and dean of students, associate provost, and assistant vice president for budget and finance, received the quintile determinations and overall recommendations from the two review task forces. These were made available for review and comment to the NMU faculty and staff, and later to NMU students. All feedback was provided to and reviewed by the ITF.

In addition to the 2015-16 snapshot information that was included in the program submission, enrollment trends and resource data for each year since the snapshot year (spring 2016 thru fall 2018) was used in the ITF's consideration of the task force recommendations, as were any actions that had already been taken in some programs.

The ITF reviewed all 607 recommendations, along with some general recommendations provided by the task forces that were unrelated to a specific program. The ITF accepted 569 of the 607 template recommendations, although some are accepted with transformation planning conditions. Additionally, some task force recommendations were related to grants, student fees or self-funded activities (meaning there is no NMU general funds involved). The ITF did not accept 38 task force recommendations. Programs in quintile 4 (opportunity for transformation) were given the directive to create a transformation plan for consideration by the ITF. Support transformation plans are currently in the process of being submitted and reviewed; academic transformation plans must be turned into Academic Affairs by May 1, 2019. The academic transformation proposals will be reviewed by the President and ITF in one-on-one meetings with the department head and/or associate dean overseeing the program (see template outline, Appendix A, of Academic Task Force Report). Proposals that are ultimately not supported may mean the program will be eliminated; those with students currently matriculating will be phased out using a teach-out process. Programs suggested for phase out will undergo the review processes as outlined in the respective contracts.

The President and ITF gave each recommendation for programs in quintile 1 programs (recommended for enhanced resources), a "high, medium or low" rating to indicate its proposed order of priority for any investment funding that becomes available. Unit managers of programs in quintile 3 (recommended to receive reduced resources) are to provide the ITF with a proposal by March 2019 of where and how they will reduce their budget. The division leaders will meet with quintile 3 unit managers to discuss the proposals as they are submitted.

This document, being brought to the NMU Board of Trustees in December 2018, includes the preliminary decisions of the ITF regarding the task forces' recommendations. There will be a public feedback period on these preliminary decisions from December through Sunday, January 20, 2019. Any changes to the preliminary decisions based on the feedback will be included in the formal proposal that will be presented to the NMU Board of Trustees at its May 2019 meeting. Implementation plans for recommendations moving forward will be worked on during the winter 2019 semester with the intent that at least preliminary implementation plans will be in place by July 1, 2019, the start of the new fiscal year, and presented to the board for approval at the July 2019 meeting. The board will be approving the overall proposal, not decisions on individual recommendations.

The intent is for Northern to conduct a formal SRA review every five years so the University is continually measuring if resources are being used in a way that guarantees maximum return on investment. However, evaluation of program viability and success will be continuous.

What follows this executive summary are the full Academic and Support Task Force reports with the ITF decision on each individual recommendation.

Other Strategic Planning Considerations

Ongoing strategic planning work occurring this academic year (2018-19) may influence some transformational change conceptualized through the SRA process. These efforts include developing a new campus master plan and an upcoming strategic fundraising campaign. The new campus master plan will guide decisions regarding new and revised academic spaces and laboratories. Northern is in the early planning stages for the fundraising campaign tentatively scheduled to be launched in 2020.

In February 2019, the NMU Board of Trustees will receive its annual update of the current strategic implementation plan. In July 2019, the board will receive a revised strategic implementation plan that incorporates strategic goals from the final SRA project report. Next year's strategic planning projects will include final SRA implementation planning, as needed, and work on individual unit strategic plans.

Recognizing the SRA Work

The Northern Michigan University administration wishes to acknowledge and thank the members of the two review task forces for their work on the 2018 SRA project, as well as all of the deans, department heads and other program managers for their time in completing the templates. The 2018 SRA project is comprehensive and therefore time-consuming. Yet, the discussion, review and consideration of how university resources are used and their potential future use makes the time investment a worthwhile endeavor. Transformation pathways from this work are emerging that will have significant a positive impact on the university today, tomorrow and far into the future.