



PLANNING TOOL

Resets Priorities,
Reshuffles Resources

By Anita Blumenthal



For

years, colleges and universities have grappled with ways to cut costs in the face of shrinking budgets and yet retain quality and remain true to their mission. One approach to this challenge is to undergo an academic prioritization process, also known as a “program prioritization process” (PPP). In this context, PPP (not to be confused with public-private partnerships) is a comprehensive, “question everything” planning tool developed by Robert Dikerson and explained in his book, *Prioritizing Academic Programs and Services: Reallocating Resources to Achieve Strategic Balance* (1999, second edition 2010).

To “question everything” through PPP includes rethinking the breadth of the institution’s mission, the extent of academic offerings, and the relative value of programs, including such measures as setting the minimum number of students needed to retain a program or the minimum number of faculty to constitute a department. To help academic institutions solve funding problems internally, PPP promotes the idea that the most available source of funding comes from reallocating existing resources through prioritization.

PPP prioritizes every program within every academic department and administrative unit. Each program submits extensive reports and data that focus on such issues as centrality to mission, quality, internal and external demand, income and costs, and barriers to improvement. Dikerson lists 10 criteria for each program to report on, calling for dozens of indicators to measure value and performance. However, individual institutions might reduce these numbers and also tailor them to their own needs and culture. For example, Boise State University (Idaho) used only five criteria.

What makes PPP unusual—and controversial—is not so much the type and quantity of data required but rather the

way the results are scored, aggregated, ranked, and divided into quintiles, each quintile indicating a different level of recommended action. All academic programs are ranked against one another, likewise all support programs. This method has attracted many supporters and many critics.

WHY UNDERTAKE PPP?

“The least inflammatory reason to undergo PPP is that it is a good way to get information to inform strategic planning,” says **Dan DeNeui**, director of social studies and coleader of PPP at Southern Oregon University, Ashland, Oregon. “Unfortunately, many institutions wait until they are in financial difficulty to take this on.”



Dan DeNeui

Sometimes conditions change part-way through the process. Back when the state’s economy looked good, the University of Alaska Anchorage (UAA) announced it would undertake PPP to align its academic programs and administrative functions with its mission and the needs of its students and state. “We had time for an introspective look that allowed extra analysis,” says **Ryan Buchholdt**, UAA’s facilities business manager and sustainability director. Then came the severe economic downturn, aggravated in Alaska by oil prices plummeting and continuing to drop—and so did the state’s funding to the university.



Ryan Buchholdt

One argument for a college, university, or school to choose a PPP is fairness, because both the academic and the support sides are involved, observes **Drew Gilliland**,



Drew Gilliland

southern Oregon’s director facilities management, planning and sustainability. At many institutions, cost cutting has long been restricted to the support side in order to save the academic core. However, Gilliland says that during a strict retrenchment four years previously, the facilities department had lost 20 percent of its staff, and the campus started physically reflecting the financial struggle, a fact that was

not lost on prospective freshman and their parents. When more budget cutting was needed, there was little slack on the support side, but with PPP implemented, the academic side was included as well. At other institutions, perhaps for similar financial reasons or for political ones, only the academic side undergoes the process.

“This is a form of strategic planning that the support side often does yearly but the academic side does not,” DeNeui says. “The support side is used to reporting and budgeting—although it is not used to seeing the full institution-wide picture the PPP reveals. Previously, different departments did this in a vacuum

and had developed their own processes.”

FIRST CHALLENGE: FIND ALL THE PROGRAMS

One challenge of PPP is to identify all programs, units, and courses. On the academic side, where programs can proliferate and stay on the books, data has to be provided on every concentration in every major and on every minor and other type of undergraduate or graduate academic program. Regarding Southern Oregon’s PPP, DeNeui admits that it was hard to identify every program on the support side, because “once it gets under a department, it is harder to track how much time an individual spends on a task or suite of tasks and then compute costs to attribute to that program. Without clear accounting procedures for that task, any figure is an estimate.”

Throughout Southern Oregon’s campus community, DeNeui says, “Departments were asked questions they had never had to know and asked to gather data they were not used to analyzing. The value of PPP,” he says, “is that it was a standardized process over all programs, with adaptations so that different programs achieved apples-to-apples comparisons.”

On the other hand, critics argue that using the same set of metrics for, say, English and chemistry programs, is not reasonable—much less using metrics that would apply to a facilities department.

THE PROBLEM OF RANKING

Under the PPP, generally speaking, the academic program reports go to a review committee of faculty, and the academic support (or administrative) program reports go to a committee of deans, directors, vice chancellors, and sometimes faculty. These committees

consider the comparable data on all programs, score the results, and aggregate the scores. On that basis, the committees rank the programs and recommend actions for the programs themselves to take (e.g., present improvement plans) and for the institution to take (e.g., fold into other programs, restructure, eliminate). But the idea of ranking and dividing into quintiles is often controversial and unpopular, especially since by definition, 20 percent of the programs have to land in the lowest quintile.

The culture of individual institutions makes a difference here. To take just one example, at Boise State, placement in all but the top quintile meant that programs needed to formulate action plans. The programs in the middle three quintiles were directed either to 1) develop specific plans to improve productivity and/or efficiency, 2) improve quality and/or relevance, or 3) improve in both categories.

According to the Final Report on Program Prioritization presented to the Idaho State Board of Education, the programs in the lowest quintile needed substantial change (e.g., reinvent, redesign, restructure, phase out) and also needed to develop action plans. Ultimately, the PPP findings called for only four of the 29 lowest-quintile programs to be discontinued. The others were to be restructured or consolidated, or their enrollments

were to be increased, or assessment of learning outcomes would be improved.

In any case, a low position in the rating does not dictate a certain fate for the department or unit; these ratings are recommendations for approaches to perceived difficulties or shortcomings. Ultimately, the president and senior officers will consider whether these recommendations are best for the institution and should be pursued. In fact, they might disagree with the ranking and recognize that some units in the lowest quintile are actually mission critical. Nevertheless, critics say that this is the foundation for a “rank and yank” approach—eliminating the lowest-rated entities.

Finally, any decision to actually eliminate academic programs, for example, must follow university protocols and procedures, such as action by the Faculty Senate, and this can take a year or more.

PPP ON THE SUPPORT SIDE

Associate Vice President for Facilities Planning and Management **Norman Young** cochaired the administrative programs review committee at the University of Hartford in Connecticut. He explains, “Each administrative program was put into one of four buckets: Those the university should invest in and give more opportunities to, those running as they should (maintain), those that we need but should restructure, and those we should not



Norman Young

run anymore (divest).” The academic committee and the administrative programs committee were each a financial target to create investment dollars for the Bucket One programs.

Still, Young says, a three-quarters majority decision was needed to decide on the bucket. On his committee, most programs were voted to be either maintained or restructured. And even in the “divest” group, some programs got a chance to make themselves more valuable to the institution—and succeeded. Others faded through attrition or were folded into another department.

While the issue of ranking is particularly controversial on the academic side, it can also be distressing on the support side. Southern Oregon’s Gilliland recounted how demoralizing it was for his department—which had already suffered rounds of severe

cuts prior to PPP—to find that the lowest quintile included the Lock Shop. While the shop manager’s report might not have been so expertly written or data rich as others, the shop’s essential function was obvious.

Similarly, in its findings report, the University of Alaska Anchorage noted that a program ended up in the bottom category because its functions had been too narrowly defined; in fact, it was a key element of a larger, essential program.

EYE-OPENING EXERCISE

The PPP “was an eye-opening experience,” says **Chris Turletes**, CEFP, associate vice chancellor for facilities and campus services at UAA. “We had to boil down what we do and explain our value to the campus community. We were impressed with what we did with the resources available.” Facilities management had one department in the second quintile and the rest in the top section. Further, he says one department found that activities it had thought were important were not considered to be so by the university overall, so these were dropped.



Chris Turletes

Another result of the PPP, Buchholdt says, was that “every unit of the administration had to explain what they did and how. This served to ‘undemonize’ the administration by detailing how each activity contributes to the university.”



Ivan Lybarger

Ivan Lybarger, director of facilities, operations, and maintenance at Boise State, calls PPP a positive learning experience that “helped us identify what was mission critical, mission essential, and mission support. We were able to identify blind spots, such as work order backlogs, and to identify how we could meet some university goals, such as increasing the number of student employees in our workforce.”

At Hartford, Young says, “We realized how important we are to the institution—there were no votes for restructuring or outsourcing.” Addressing the criterion of quality, he says, “Our department had been using benchmarks and APPA standards, so with these credible sources, we were able to tell our story. Our



funding, staffing, and capital projects were below our peers—and we could tell exactly what we could do with additional money. In fact, our capital projects program was voted into the ‘invest’ bucket. You need data to get into the first bucket.”

SPACE—THE GAP IN THE PROCESS

“One problem with PPP,” Turletes says, “was that it looked at resources allocated [to programs] but not at space. It is important to consider the space impact as well as funding in decisions.”

Young found the same problem. “I wish we’d had better data on the cost of space for both academic and administrative departments,” he says. “We needed that data as we made decisions about programs. If we’d had more data, we could have pointed out capital improvements or energy efficiency projects in a department that would have improved its costs.”

As a result of this finding, Hartford is now developing a space management program and introducing software to collect space data so that it will be part of the analysis when the university considers the cost of growing or shrinking programs. “We need to understand the costs of a building in granular detail,” Young says, including having an energy profile density of use, and hours of use.

At Southern Oregon, the facilities department found that the university could handle 10,000 students; it now has 6,000. So the university doesn’t need new buildings, even though PPP called for the addition or expansion of some programs as well as elimination of others. Instead, Gilliland explains, they need to do internal remodeling, designing, and equipping flexible-use classrooms. “We need to use the buildings more intensively, as well as with an eye to sustainability and carbon neutrality,” he says. “That would include scheduling lab classes between 7:00 a.m. and 8:00 p.m., so that rather than install more pieces of expensive science equipment, more students can use the same pieces at different times. Currently, most classes occur between 9:00 a.m. and 4:00 p.m. PPP forced that conversation.”

SMALL CHANGES, SOLID GAINS

Within facilities departments, PPP triggered a number of changes for efficiency. For example, Hartford eliminated a layer of management in their transportation department.

Facilities and Campus Services at Anchorage took over emergency management from the police group and also took on the Sustainability Office, dealing with facilities and building components and with students regarding sustainability issues.

Several innovations at Boise State that cost little or nothing have already increased efficiency. For example, Lybarger reports that the Facilities Operation and Maintenance Department launched a TXT-n-Fix program to connect directly with the student population, which is more inclined to text than to e-mail or phone. Also, they formed a rapid response crew, which addresses all short-duration (under 30 minutes), low-cost (under \$50) service calls. No work order is required, and there are no charge-

back fees. This program has had great success. Of 1,027 recent customer reviews, 1,001 gave it the highest five-star rating.

WORDS OF ADVICE

Asked to give advice to universities that might undergo PPP in the future, UAA’s Buchholdt stresses that the institution should take a lot of time to adapt the structure of the process to the needs to the institution. “We did this during the last two-thirds of the program,” he says. “Even renaming the quintiles would have been a good idea.”

Young underscores the need for the facilities department to be involved at the institutional level of the process—to have a high-level member of the department sitting on the ranking committee, not to champion the department (that isn’t allowed) but to be part of the process and understand where facilities fit into the institution. At UAA, for example, some of the facilities staff participated in the Prioritization Administration, which created the rubric and took part in the evaluation.

As for advice to individual facilities departments, Lybarger says the exercise “must be taken seriously; otherwise the results could be skewed or inaccurate. Take the time to do it right. It’s also beneficial to compare peer institutions to see what they do and how your university compares. APPA was also a valuable resource.”

Finally, Young advises, “Have as much data as you can to show people that you have already looked at issues such as outsourcing.” His department was able to show that they already outsource activities they consider most efficient to contract out, such as elevator operations and trash collection—even their IT needs—but also that they had already determined that outsourcing custodial services would be more expensive.

Looking back, DeNeui says, “I think we could have done a better job communicating how the end results would be used—more specifically, that the results of our PPP process would be used as a part of a larger strategic planning process.” As with all institutions, nothing stands still or happens in a vacuum. “We have undergone a major reshuffling at the top of our organization,” he says, “so a lot of processes that would have happened after the PPP have been postponed until new leadership takes over. Still PPP has been beneficial to individual programs, and it has been used to inform subsequent planning processes.”

“PPP was tough love,” Turletes declares. “This is something we should do every four or five years.” ☞

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