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## Budget Crises, Academic Change: A Fable

By John V. Lombardi January 8,  
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Our fable begins with the recognition that everyone is in favor of change, that magic

word for all of higher education. Few things in college and university life capture such universal admiration as the prospect of change. If we become tired of such an ordinary word, we can prefix it with other magical words with high value like transformational and accountable. We know that the good change for universities involves more money to do the things that we want to do. Bad change involves less money. We know we usually do not like change that makes us work harder.

Budget reduction processes offer special opportunities for change. In public universities, these moments of fiscal challenge prompt government representatives, coordinating boards, and other responsible observers to tell us to take advantage of the crisis to restructure the university and achieve better efficiency and accountability. The state may give us a mid-year budget cut and ask for a strategic realignment of our work, as if the university operated on a week by week cycle.

Most of us respond politely, even though we know nothing of the kind is possible. By December, every university has already spent about half of its budget and it has made commitments for much of the rest. If it is to give money back to the state, it must find it by scrounging around in supplies and expenses, canceling travel, postponing purchases of new computers, and perhaps not hiring some adjuncts and increasing class sizes. But strategic realignments? Not a chance.

This time, however, we are told to expect that the mid-year crisis will morph into a major budget reduction for the coming year, so we must engage our strategic thinking to improve the university. This, in a budget reduction mode, should involve getting rid of things we no longer need that cost money and employ people.

Our university president says, "Well, we're going to be efficient and eliminate the program in Sanskrit which has a low enrollment and costs us \$300K a year." She immediately learns that there is a major Sanskrit-speaking community in our state (which we had failed to notice) and its lobby in our legislature is very strong. We receive a memo from the state budget office that says: "Please make strategic accountable reductions in the university budget, but leave Sanskrit alone."

She turns next to student social services, for which we pay \$3M a year. She says, "Well, between teaching English and sustaining full student social services, we should reduce student social services by half, a \$1.5M budget reduction." All

hell breaks loose. The student lobby, the social services professionals in the state and their lobby, and various parent groups all point out the outrageously insensitive behavior of an administration that would cut student social services by any amount. The president receives another memo from the state budget office that says, "Please make strategic accountable budget reductions in the university but exempt Sanskrit and Student Social Services."

"OK," she says, "we got it." She then turns to our intercollegiate athletic program, which receives a \$5M subsidy from the general budget every year. She tells the athletic department, "We're taking \$2.5M from the athletic budget in order to sustain the humanities departments." All hell breaks loose. While the English, comparative literature, and history professors recognize the wisdom of this decision, the sports lobby of alumni, donors, and legislators goes crazy. Blogs fire up, talk radio goes volcanic, and famous former athletes speak out. The president receives an informal but clear message from the chair of the state legislative budget committee, a former football star at the university. The message: "Please make strategic accountable budget reductions, but if sports are on the list we will cut your budget worse than it is now."

"OK," she says, "let's save money by consolidating departments and programs." This is a favorite of budget reduction gurus. Everyone on campus cheers until she identifies the departments and programs. Then, everyone except the people in those programs cheers. The affected faculty and students organize a guerrilla movement on campus to undermine this decision. The faculty in the affected programs call on the university senate for support since the administration, in a misguided effort to be effective and efficient, failed to consult adequately (adequately being about at least a year of study). Someone in the business school calculates that the savings from consolidating programs without firing faculty and staff will be minimal. Indeed, after the new combined program has to reprint all the letterhead stationery and redo the catalog, the analysis shows that consolidation will actually cost the university more than leaving the programs alone. The best faculty in the proposed consolidated programs immediately polish their resumes and threaten to leave (although few actually get offers to leave). Students mobilize, unions mobilize, and soon the university recognizes the folly of its ways and sends the proposal to a university senate study committee, removing this option from the current budget process and effectively killing the idea.

The president, in a fit of desperation, looks outside her campus for better targets and identifies a small public college in the next county that has low enrollment and poor graduation and retention. She recommends a strategic realignment that would absorb the small college's programs into the state university, and achieve major savings. Although the state has frequently claimed that it has more state funded colleges than it can afford, the public regards this aggressive move against a sister campus as ruthless bad form. The mayor and the legislators from that district immediately mobilize to block any such move. Once mobilized, they succeed in getting the legislature to upgrade the state college to a university and authorize three new masters and two new doctoral programs to symbolize the importance of the campus to the economic development of the region.

Finally, the president creates a strategic and accountable realignment for the institution by cutting a little here and a little there, abolishing a program that has no supporters in the legislature and ready-to-retire tenured faculty, and eliminating building maintenance funds to avoid laying off any faculty.

The public relations office describes these moves as creative and visionary change, and the press hails the president as a wise and profound academic leader who has accomplished these fine things in an effective and accountable way without damaging important academic functions of the institution. Although the president knows that the campus' deteriorating physical plant will become a major issue for the future, she also knows that she will be somewhere else when that happens.

And so ends the fable with a budget crisis averted, and a change process achieved.