

**4/11/2022**

### **Dept and College Merger Committee Members**

Scott Beaulier, Dean College of Business

David Bertolini, Dean College of Arts, Humanities, and Social Sciences

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Philip Boudjouk, Chemistry and Biochemistry

Benton Duncan, Professor, Mathematics

Jill Nelson, Co-Interim Dean of Human Sciences and Education

Don Miller, Professor, Pharmacy Practice

### **Executive Summary and Primary Goal for Department Mergers**

Department mergers, Dept. administrator's compensation, number of administrative staff in a department should be analyzed and optimized. The criteria that follows are valuable tools to reduce CPH and reduce negative margins. NDSU is at a point where funds are needed to be in the right place rather than in place because we have always done it that way.

### **Faculty Feedback, Observations, and Concerns**

- The overall feedback suggests people do not want to merge colleges.
- Mergers would create unnecessary stress,
- There is a small amount of financial savings.
- A merged unit is potentially subject to anonymity.
- Mergers challenge climate and might create animosity among faculty.
- Mergers should only occur if they are faculty driven.
- It would have a negative impact on students.

### **Discussion of Faculty Feedback and Observations**

- Literature on the topic suggests that mergers don't work well unless faculty see advantages and buy-in early.
- Nonetheless, many of the common concerns can be mitigated or addressed with great bylaws that accommodate individuality and collaboration. Thus, open discussion of potential mergers should be highly encouraged within Colleges.
- Some savings may be realized by centralizing administrative functions within a College, even if departments do not merge. Small steps like this might set the stage for later merger.
- Any change is stressful and perhaps the ombudsperson can help work through stress and animosity.
- Any savings is savings.

### **Key metrics / information**

Department and College overhead per credit hour as listed in the Huron report shows a large disparity (see pages 43 for Dept. and page 44 for College). Department overhead ranges from \$31 to \$96 and the College overhead ranges from \$11 to \$79. Although the Huron report calls out small departments for being inefficient, the report shows that many small departments

have the lowest overhead while not commenting on the highest overhead. All departments regardless of overhead status, margins and/ or enrollments should be reviewed for efficiencies, realignment, or mergers.

### **Guidance**

Any one or more of the following criteria warrants analysis and/or merger.

- Departments with direct reports of 10 or less are strong candidates to merge. Optimal size varies but between 15 and 25 is a good goal.
- Low enrollment of primary majors (50 or less) is a strong indicator for the need for administrative efficiencies.
- If Department overhead (Huron pg 43) is above the average of \$50, then merger and/or other efficiencies should be considered..
- Larger enrollment should not preclude consideration for a merger with another unit.
- Negative margins are another indicator for consideration.
- Any amount saved can be beneficial to a Department or College because NDSU's current budget climate is of a concern.
- Potential to promote common interest and collaboration is sought.

### **Chair / Head Administrative Compensation**

Department Chairs and Heads have a wide range of additional salary ranging from 10 months to 12 months. The key considerations are required summer work, number of direct reports, and needs. Whenever possible compensation should be reviewed and reduced while specifically outlining a person's duties. For example, if all of the departments were changed to 10 month compensation the university would save +/- 900k including fringes.

### **Other Considerations**

- Department climate.
- Department / Program mission or purpose
- Student impact.
- See "Revised\_Process and Form for Department Restructuring" - PDF for some observations for department mergers such as, ByLaws to articulate both dept and program interests, budget pools, protection from the tyranny of the majority, unique PTE requirements or differences.
- See PDF sent by Don Miller email on 12/8/21 "Kezar AJ. Understanding and facilitating organizational change in the 21st century. ASHE-ERIC Higher Education Report Volume 28, Number 4."