

Executive Memorandum No. 1¹

The Administrative Organization of the University of Nebraska

It has been eight years since the Legislature voted to make the Municipal University of Omaha a part of the University of Nebraska. It was at that time that the University of Nebraska System was established.

During these eight years many changes have occurred in American higher education. Inflation has brought new fiscal pressures to bear on all universities, and the recent emergence of the federal government as a demanding partner in higher education has added a new dimension of difficulty to academic management. Nationwide there is a continued call for accountability, for common and uniform data, and for evidence of efficiency in management; and collective bargaining is beginning to emerge as a significant new aspect of university management. Moreover, birth rates have sharply declined, portending a likely decline in on-campus enrollment during the 1980's. (This prospect will be modified to some extent, however, by the clear trend for older Americans to attend college, i.e., more than half the current enrollees in the nation's colleges and universities are over 22 years of age.) Finally, non-traditional or open learning has become a new force in higher education which promises to make higher education accessible in an off-campus setting to millions of new learners.

Within the University of Nebraska many changes have occurred in these eight years too. The combined enrollment has grown from approximately 30,000 to almost 40,000, with a corresponding increase in the number of employees. The physical plant has been expanded significantly. A major drive toward academic excellence has been undertaken with substantial state support provided for areas selected for special emphasis; and SUN, the nation's leading effort in open learning has been initiated at the University of Nebraska.

Changes have also occurred in the University's governance and administrative structures. Several years ago the Board of Regents was expanded from six to eight members, and then more recently to eleven with the addition, ex officio, of the elected presidents of the three campus student bodies. The Central Administration in its early post-merger days was located on the Lincoln campus and was staffed, in many instances, by persons who held joint appointments on the Lincoln campus. Now the Central Administration is physically separate from all three campuses and joint appointments have been eliminated. The Computer Network for the entire University is administered by the Central Administration as is the University's program of graduate studies. In terms of administrative officers, the changes have been equally far-reaching. With but a single exception, no major administrative position on any of the three campuses is now occupied by a person who was incumbent at the time of the merger.

Universities are, by nature, dynamic institutions and must always be prepared to respond to changing circumstances. The University of Nebraska is no exception, and it is apparent that after eight years of functioning as a merged system it is now time for a reassessment and for such modifications to the system as seem appropriate. This need for reassessment is reinforced by the growing external pressures for more highly centralized University administration as evidenced in LB 610, and by the recurring expressions of uncertainty about the roles of various components of the University. Thus, it is appropriate that a re-

¹ The introduction to Executive Memorandum No. 1 has been retained in its original form to offer historical perspectives. Only the recommendations section has been updated, and that only to the extent deemed necessary to reflect current configuration of the system.

examination and restatement of organizational and functional relationships within the University should be made at this time.

Recognizing this need, the Board of Regents at its October 1975 meeting appointed a special committee of the Board (including the President) which was directed to visit other university systems in our part of the country and study their organizational structures and operations. The committee, composed of Regents Hansen, Prokop, and alternately Raun and Schwartzkopf, visited with officials at the University of Illinois, the University of Missouri, the University of Minnesota, the University of Wisconsin, The University of Colorado and the Kansas Board of Regents. This committee submitted its report at the December meeting of the Board of Regents.

In addition to this study of similar multi-campus institutions by the special committee of the Board of Regents, two other review projects have recently been mounted. First, in view of certain directives in LB 610 we have asked the management consulting firm of Cresap, McCormick and Paget -- which did a major study of the University's administrative structure four years ago -- to make a new study of selected administrative areas to determine if economies could be achieved through centralization, consolidation, or more extensive cooperation between campuses. The areas reviewed were 1) purchasing, 2) physical plant planning, 3) information services, 4) student financial aid, 5) accounting, and 6) institutional research. In support of this study, the purchasing officers of the University of Illinois and the University of Missouri were brought to Lincoln for extensive consultation.

The second study, also undertaken in response to LB 610, is focused on the organization of the University's continuing education or off-campus educational efforts, including SUN. This study is still underway and is being conducted by an all-University committee composed of Dr. Quentin Gessner (UNL), Dr. William Utley (UNO), Mr. Robert Moutrie (UNMC), Mr. Jack McBride (SUN), and Dr. Hans Brisch (Central Administration). The committee is chaired by Executive Vice President Steven Sample, and it has met frequently over a period of three months.

General Observations

1. The University of Nebraska System has operated according to the philosophy that major delegations of authority are necessary in order to permit decisions to be made quickly and at the point of impact. Studies indicate that the degree of decentralized decision making at the University of Nebraska has been greater than at most -- if not all-comparable multi-campus systems.
2. This decentralized system works well only if the major administrative positions are staffed with competent professionals who understand the principle of delegation of authority, who transmit this understanding to their colleagues, who communicate effectively, and who respect the roles of their associates in the functioning of the system. An attitude of cooperation and a free flow of information - both up and down and horizontally -- are essential conditions for the effective functioning of a system which is as highly decentralized as the University of Nebraska has been in recent years.
3. For most of the eight years since merger, the decentralized system has worked effectively because of the quality of the people involved and an understanding of the basic conditions required. However, in recent months there has been growing evidence of a need to review the existing organization of the University and to make certain clarifying modifications. That is, there has recently been an increasing tendency for campus administrators to interpret the delegation of authority as, in fact, an award of independent status. Occasionally this has led to a reluctance to cooperate fully and to share information openly and quickly; and at times it has led some to resist efforts toward coordination. This problem has been aggravated by the tendency of some external agencies and high officials to bypass Central Administration and to deal directly with campus administrative officers, with the inevitable result of a breakdown in effective communications.

4. Finally, the "new environment" in which all higher education now functions -- the call for accountability, the insistence on uniform data, the pressure for adoption of management information systems, the requirements for evidence of compliance with multiple federal and state statutes and regulations, the move toward collective bargaining, the growing specter of increasingly limited resources for an increasingly complex task in higher education -- clearly calls for a reconsideration of this University's management structure and operational relationships.

General Recommendations

Recognizing the new context in which all higher education operates, admitting that the University of Nebraska has developed as one of the most highly decentralized multi-campus systems in the nation, and accepting the necessity for some restructuring, redefinition, and clarification, the case must still be made for resisting the argument for total centralization in administering the affairs of this University. The basis of this case is the fact that the fundamental purpose of the University is to serve its students -- and they are on the campuses. The University's principal resource for teaching, for discovering new knowledge, for rendering educational public service, is its faculty members -- and they are also on the campuses. Further, it is acknowledged sound administrative practice to locate the decision-making authority as near the point of operation as is practical. Nevertheless, there is a clear necessity to provide for central coordination in many areas, to develop and implement university-wide policies, and to make certain that the public and private resources made available to the Board of Regents are used in the most efficient and effective way. It is within these two broad bounds of constraint -- the need to delegate decision-making authority to the scene of operations and the need to centrally coordinate policy and resources -- that a wise organizational policy must be formulated for the University.

With these constraints and this purpose in mind, then, the following general recommendations are made:

1. A Philosophical Clarification

Unfortunately, there has been a growing misconception during the past few years that the University of Nebraska is composed of separate, independent institutions operating as a loose confederacy, answering through a central administrative office to the Board of Regents. It is essential that this conception should be clarified. The University of Nebraska is one university with a unified overall mission, answering to one Board of Regents through one President and his central administrative office. The University functions on each of its campuses, each with its own primary role, and operates through authority delegated by the Board of Regents to the President, and from the President to the Chancellors.

2. An Operational Clarification

The Board of Regents has the ultimate responsibility for the effective functioning of the University of Nebraska and for the management of all its resources. The Board of Regents has delegated to the President of the University the administrative responsibility for the management of available resources and for the administration of the University as a whole. The President, in turn, has delegated through a line authority the responsibility for the administration of the affairs of each of the campuses to the Chancellor of each campus. It should be underscored that the Chancellors also bear the title Vice President of the University. Similarly, through staff authority, the President has delegated substantial all-University responsibility to other vice presidents: the Executive Vice President and Provost, the Vice President for Business and Finance, the Vice President and General Counsel, and the Vice President for University Affairs. The significance of the title "Vice President" should not escape the attention of all involved. It is expected that the Vice Presidents of the University shall function in a cooperative and reinforcing way, concerned not only with their specific areas of responsibility but with the total well-being of the entire University of Nebraska as a single university.

3. A Budgetary Clarification

In order for the Board of Regents and the responsible officers of the Board to discharge their responsibilities effectively, it is essential that greater budgetary flexibility be accorded the Board of Regents. No informed person questions the responsibility of the Governor and the Legislature to examine budget requests, to ask penetrating questions about the management of the University, to seek clarification of Regents' priorities, to determine funds available to University operations, and to require detailed reporting of expenditures. Full accountability is a proper expectation. Yet, to remove the right of the Board of Regents to establish University priorities, to determine those who merit rewards for performance, and to adjust the budget to meet changing needs during the course of the year is to deny the Board of Regents ability to govern effectively. For these reasons it is essential, if the University is to function properly, for the Board of Regents to be given the maximum possible budgetary flexibility consistent with proper executive and legislative overview and safeguards.

4. A Procedural Clarification

There is growing evidence that one of the main causes of confusion in the administration and operation of the University of Nebraska is the current system for responding to legislative and executive requests for information. The current system has evolved on an informal basis and in a spirit of cooperation and good will. It is largely a carryover of practices from a less complicated era. That is, more and more often campus officers find themselves in direct official contact with the executive and legislative branches of government. On the face of it, this seems to many to be the simplest and most convenient way to function. However, this practice often results in subsequent confusion and misunderstanding, particularly when Central Administration and a campus administrator answer similar questions differently. Similar questions asked in different contexts at different times of different officers, who have different duties and either more or less comprehensive data, can understandably produce different answers. Confusion is inevitable. In order to minimize this communications hazard and in the interest of orderly procedures, it is important for the University to develop an understanding with government officers whereby their questions are brought to the Central Administration for response or delegation to the campuses and, similarly, that information from the campuses to the executive and legislative branches is processed through appropriate officers of the Central Administration.

In view of our experience of eight years as a multi-campus university, in order to clarify administrative procedures and in the interests of a more orderly and effective functioning of the University of Nebraska, I shall issue additional Executive Memoranda from time to time.

Reference: This statement was approved by the Board of Regents at its December 13, 1975, meeting and, therefore, represents the policy of the Board of Regents.