Iowa regents have no preconceived notions about university cuts, efficiencies

Analysis will determine core, non-core elements to university's mission

A consulting giant hired by the Board of Regents to help find efficiencies among Iowa’s public universities has no preconceived notions about potential cuts and “no checklist of courses we’d like to eliminate.”

But officials with Deloitte Consulting LLP – in working with a regent-commission task force – said during a public forum Tuesday that they will go through a detailed analysis to identify elements that are core to each university’s mission and those that are not.

“There might be programs that aren’t central to the core and don’t cover their costs and are covered by another university,” said Rick Ferraro, director for Deloitte Consulting, a firm with more than 44,000 practitioners serving 100 locations around the world.

Board of Regents President Bruce Rastetter also stressed during Tuesday’s public forum at Iowa State University – the second to date in its comprehensive efficiency review – that the board is entering the review process with an open mind.

“We’re waiting for data to direct that,” Rastetter said.

But one expectation Rastetter said he does have for the review is that it will produce a new policy around the creation of future programs and courses at the regent universities. The goal of the policy would be to prevent redundancies among the campuses going forward.

Previously, Rastetter said, the board might have approved a new program or course without knowing fully whether it was duplicating something offered at one of the other schools.
“So we have asked Deloitte to develop a policy around program creation so we don’t create three look-alike universities going forward,” Rastetter said.

The policy might not save money right away. But, Rastetter said, the hope is that it will over time.

“Some of the duplication doesn’t make sense when we have limited dollars to spend at each university,” he said.

The Board of Regents launched its efficiency review and formed a task force to drive the process last year, hired Deloitte Consulting at an initial cost of about $2.5 million in February and kicked off the review on the university campuses last month.

The University of Iowa hosted the first public forum on Friday – drawing about 300 people, including a handful of protestors. Iowa State’s forum on Tuesday drew a crowd of about 180, and the University of Northern Iowa will hold its meeting next week.

The forums aim to provide community members with information about the review, answer questions about the process and take suggestions on money-saving possibilities. Regent and university officials say there will be plenty of opportunities for public engagement throughout the process, and Deloitte officials this week are conducting hundreds of interviews on the UI campus with university administrators, faculty, staff and students.

Consultants will follow up with interviews on the ISU and UNI campuses in the coming weeks. Those smaller meetings with help supplement massive data requests Deloitte made of the universities last month for things like departmental budgets, organization charts, policies, processes and procedures.

Audience members who attended Tuesday’s forum on the ISU campus seemed to have similar questions as those who attended the UI forum last week. They asked about potential program and departmental cuts, staff layoffs, transparency and details of how the review will proceed.

Some audience members made suggestions about where to look for efficiencies – including going to a 44-hour work week, offering Saturday classes, making better use of technology and encouraging more high-school students to earn college credit before graduation.

Ferraro, with Deloitte, said they will look into all suggestions – including those they collect through interviews and online forums. And, he said, consultants also will review what other universities have done to share costs and shave expenses.

“The easy pickings might not necessarily be there, so you have to look at the work that’s being done and evaluate if it’s essential,” he said. “Can you change the way you do work or eliminate it?”

Some critics have called the review an “audit” and questioned the motives behind it. Ferraro on Tuesday said the review is not an audit.
“An audit is a look out the rear view mirror,” he said. “But we in consulting look forward. How do you change what you have to become better? How do you not get left behind?”

By taking this proactive step toward becoming more efficient, Ferraro said, Iowa’s universities are less likely to falter in the face of severe economic constraints facing higher education.

“The likelihood that you will be left behind has dropped significantly,” he said.

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