Planning Faculty Reduction.

Considerations that can help colleges and universities develop institutionally specific strategies for planning faculty reductions are addressed. It is suggested that an institution can provide a fair and workable reduction plan if it: thoroughly explores alternatives to faculty layoffs; develops explicit standards and procedures for reduction planning; prepares to deal with legal issues involved; attempts to anticipate case-specific political factors that may affect the process; understands the importance of making data based decisions and makes sure that required information is collected; develops a comprehensive planning and evaluation process to deal with long-range concerns quickly and fairly; and appreciates how different types of institutions are affected differently by factors involved in the reduction process. Four basic policy determinations are required: a definition of financial exigency, standards regarding participation in the reduction decision, procedures for program cutback, and standards for evaluating personnel and programs in the review process. To accomplish these tasks the administrator who foresees faculty reductions should gather a competent and representative planning group. (SW)
PLANNING FACULTY REDUCTION

by Homer C. Rose, Jr. and Stephen R. Hample
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Virtually all institutions of higher education will face critical faculty planning issues in the coming decades. Financial and enrollment pressure will force many institutions to reduce their instructional staffs, forego the hiring of bright new Ph.D. recipients, and provide professional development opportunities for retained faculty members in spite of limited funds. These institutions will need to plan carefully in order to respond to these challenges equitably and effectively.

Because the circumstances of each institution are complex and unique, the procedures used to plan cutbacks must be individually tailored to address a specific combination of financial conditions, size, quality, governance procedures, faculty organization, and previous experiences with cutbacks. No single procedure can serve the needs of all institutions (Dolan-Greene 1981, Peterson 1980). Nevertheless, a review of recent experiences suggests pitfalls and basic lessons to be kept in mind. An institution can be reasonably assured of avoiding the mistakes of the past and of providing a fair and workable reduction plan if it:

- thoroughly explores alternatives to faculty layoffs (Mingle and Norris 1981)
- develops explicit standards and procedures for reduction planning (Dougherty 1981)
- prepares to deal with legal issues involved (Rood 1977; Gray 1981; Hendrickson 1981)
- attempts to anticipate case-specific political factors that may affect the process (Dolan-Greene 1981)
- understands the importance of making data-based decisions and makes sure that required information is collected (Alm et al. 1977)
- develops a comprehensive planning and evaluation process to deal with long-range concerns quickly and fairly (Dougherty)
- appreciates how different types of institutions are affected differently by factors involved in the reduction process (Dolan-Greene 1981)

This Update provides an overview of each of these elements. Consideration of these topics can help an institution develop institutionally specific strategies that minimize the potential for unneeded, unfair, shortsighted, or unduly painful faculty reductions.

* A rich background of literature is available. An annotated bibliography, based on an ERIC search, is listed in the November 1982 Resources in Education. HE 015167 This document groups sources under the subject headings of this discussion.

DOONESBURY

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REVIEW OF ALTERNATIVES

Layoffs should be avoided if possible; there are a host of alternatives to explore (Meeth 1974, Craven 1981). Examining alternatives is an essential first step in an institution’s planning, but sometimes this step is overlooked or conducted too superficially. Before an institution seriously considers faculty layoffs, it should consider cutbacks in service and other non-instructional costs, take advantage of normal faculty attrition, examine early retirement programs, and design programs for alternative faculty employment. It is also important to ensure that the number of administrative personnel is as low as is reasonable and that nonessential costs (e.g., a golf course) are not being fully supported while faculty are being laid off (Dolan-Greene 1981). Methods to soften the blow of layoffs somewhat, such as placement services for faculty, retraining programs, or resignations in exchange for a year’s leave with pay, should be explored.

The range of alternatives depends on institutional circumstances. Smaller institutions are less flexible since they cannot absorb faculty losses as easily as large institutions can (through attrition, for example). In addition, institutions with a high percentage of tenured faculty are more likely to need complicated planning efforts (see Bowen and Minter 1976, Mortimer 1981b, p. 165).

Finally, the event of layoffs the institution must determine its responsibility to laid-off faculty members who are no longer seeking reinstatement or who have been offered a reasonable alternative position. The institution must know its outstanding obligations (Pondrom 1980, p. 54).

STANDARDS AND PROCEDURES FOR REDUCTION PLANNING

In order to be both comprehensive and responsive, reduction plans should proceed from agreed-upon standards and follow clear procedures. Four basic policy determinations are required. (a) A definition of financial exigency, (b) standards regarding participation in the reduction decisions, (c) procedures for program cutback, and (d) standards for evaluating personnel and programs in the review process.

A Definition of Financial "Exigency"

It is necessary to outline the conditions under which retrenchment action must begin. This procedure should include a definition of what constitutes financial exigency (Alm et al. 1977) or, at least, provide an indication of any other circumstances that would initiate cutback planning (see Mortimer 1981b, p. 160). Ideally, the planning will be based on definite needs that are clear to all. In Wisconsin, for example, provisions incorporated in the State Code stipulate that a formal declaration of a financial emergency is required before the retrenchment begins (Pondrom 1980). This type of procedure encourages openness and understanding—without it subsequent complications are invited.

Who Should Be Involved in Reduction Planning and in What Capacity?

First, a technical, central review group should be designated. This group’s membership should be consistent with the governance tradition of the institution (Dolan-Greene 1981, p. 40-41). Inclusion of a faculty member should be considered carefully. On the one hand, if a nonunionized faculty feels excluded from reduction deliberations, it may unionize quickly. On the other hand, as Mix notes (1978, p. 21) “The faculty want responsibility for formulating criteria for decision making, but they do not want to implement the decisions they themselves make, for example, which faculty will be dismissed.”

“...that, since many program discontinuances are made in weak and/or low priority programs, the welfare of the faculty, however important—is not synonymous with the welfare of the institution. Although painful, the option of program cutback or discontinuance must be addressed. Ordinarily, program discontinuance better serves to maintain overall institutional quality than across the board cuts. This option can maintain productivity, retain the faculty, that are most needed (regardless of rank or tenure status), and reduce overhead as well as salary costs (see Dougherty 1981). It must be recognized, however, that program discontinuance involves detailed, time consuming, and emotional issues. In practice, it is often extremely difficult to include program discontinuance as an option.

If discontinuance of programs is considered, it is necessary to establish...
lish a program evaluation system if one does not already exist. The following elements should be addressed:

- There should be an agreed-upon procedure for conducting program analyses. Ideally, this procedure will already exist as the ongoing process of program review. If such a process does not exist, it should be established, this type of assessment will be an important management and planning tool in the coming years (Johnstone 1981).
- A decision must be made regarding how programs will be selected for review; i.e., basic criteria or rotating systems should be established. It probably would be wise to follow one of three methods:
  - evaluate all programs over a regular period of years
  - target related disciplines or programs together
  - select some strong and some weak programs for review

These procedures would serve to avoid the impression that selection for review automatically implies cutback (Dougherty 1981).
- A decision must be made regarding criteria to use in program reviews. If these reviews are to be thorough, only a few should be conducted at a time. Relying on easily available quantitative measures is inadequate. These measures may be used to select programs for review, but the inclusion of qualitative measures is preferred even at this stage (Mingle 1978; Clark 1979).

What Criteria Are to Be Used to Evaluate Programs and Personnel?

Whether or not program discontinuance is considered as a retraction option, a clear consensus on the institution's role and mission is a prerequisite to reduction planning. If reductions cannot be avoided, they should be made in areas that are less critical to an institution's purpose or mission. Clear, meaningful role and mission statements—widely agreed upon and taken seriously—can allow programs to be ranked according to how well they serve primary institutional purposes. Using role and mission statements in addressing retrenchment questions can help meet goals of quality, particularly in institutions that have strong academic reputations or possess sound faculty evaluation systems (Dougherty 1981).

LEGAL CONSIDERATIONS

A thorough database, carefully defined procedures, and consultation with legal counsel can reduce the prospect of litigation associated with retrenchment (Hendrickson 1981). A financial emergency can occur. If faculty tenure policies, and the institution can face reductions with reasonable flexibility if legal principles are carefully followed.

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Two basic considerations must be addressed. First, the institution must know its formal obligations to its faculty and fulfill them precisely. If a faculty handbook promises three separate hearings for a faculty member facing termination, then three hearings must be properly held and recorded. If the 1940 AAUP statement on tenure has been adopted by the institution, those principles must be followed (Umanex v. Almodovan —1981—notwithstanding, the circumstances of that case are unique). Probably no other evidence is so damaging to a campus as that showing that the institution failed to follow policies or to fulfill conditions that the campus itself had developed. The consequences of failing to follow one’s own procedures are shown by University of Alaska v. Chauvin (1974) cited by Holloway (1980, p. 89). The judicial interpretations of contractual conditions (such as tenure) make interesting reading, one of the best being Krotkoff v. Goucher College (1978), reproduced at length in Kaplin (1980, p. 63-75).

The second issue concerns general legal principles in addition to stated campus policies. Naturally, constitutional freedom of speech provisions must not be violated. It is also important (particularly in public institutions) that adequate due process be provided to those who are terminated. Reasonably consistent legal standards exist regarding proper institutional methods of selection for layoffs. The standards employed to determine layoffs must be demonstrably neither arbitrary nor capricious. With a clearly developed program, using careful review and following due process procedures, faculty reductions can be accomplished with a minimum of legal difficulty. Reduction planners should be able to demonstrate that the need for reductions was clear, that the method of selection for layoff was fair, that the standards used to determine layoffs were shared with those affected (Hendrickson 1981) and—preferably—that an avenue of appeal was provided. Each institution should also examine existing due process procedures and make changes required to meet court standards. Finally, legal counsel should be consulted before any retrenchment action is initiated (Alm et al. 1977) since legal requirements and liability standards vary by state, depend on prior institutional commitments, and frequently are affected by new court decisions.

POLITICAL CONSIDERATIONS

The ability to anticipate political factors affecting a reduction effort will be essential. Diplomacy and political sophistication are required for any successful retrenchment effort. Campus planners should expect local businesses to be concerned if the cutbacks are large and should be aware of legislators’ interests in certain favorite areas. These pressures may be sufficient to hamper specific planned cutbacks but still be insufficient to remedy the general financial emergency. Planners should also expect (and prepare to deal with) internal anticutback coalitions composed of various faculty and student groups (see DeLeon 1978). Faculty should be discouraged from inflicting injuries on their own cause. Lowering faculty or student standards—which may serve short-term purposes—will be counterproductive in the long run (Kirshling 1981).

A process to deal with faculty reduction can be fully effective only if there is widespread knowledge and agreement regarding standards and procedures. Some form of communication to the campus community that provides an opportunity for them to comment will help the community understand, if not fully support, faculty reduction (Alm et al. 1977).
DATA NEEDS

Sophisticated budgeting and institutional research techniques can serve as important tools in examining alternative patterns of reduction and their impacts. Effective planning requires the best data possible; at the same time, however, the limitations of such information must be remembered. As Mortimer notes (1981b, p. 169), "most retrenchments have to be made on projections rather than on actual conditions." He points out that most projections are not terribly accurate. Although these limitations should be born in mind, they hardly imply that detailed information is unnecessary. Sound data, commonly defined and understood, are needed, and those calculations must be reviewed for accuracy! Mistakes have produced unnecessary layoffs (Dolan-Greene 1981, p. 60).

The types of data required must be determined by each institution, but past experience suggests that four basic types of information will be useful. The planning group should review the institution's definition of financial exigency and then carry out the following steps.

- Examine and project enrollments by level and discipline. Such detailed projections may be imperfect, but some type of enrollment projections for individual departments should be made. In addition, the group should consider the direct and indirect costs of each program relative to a campus average and forecast the impact of faculty cutbacks on budgets (Craven 1981).
- Use this information to create faculty profiles forecasting future needs for faculty by discipline and level. Faculty flow models (or at least some method for projecting faculty employment levels) are critical for all institutions (Craven 1981), including those large enough to avoid layoffs through planning and attrition. The projected faculty profile for each department may be based on ages of current faculty, estimated faculty retirements, and the potential use of early retirement options. Also, the planning group may wish to note which faculty members could be reassigned to other departments or to other types of positions. In addition, they may wish to recommend that personnel departments develop information for pretirement, early retirement, and job transfer counseling programs.
- Forecast the impact of alternate program eliminations on enrollments, other programs, and the tenure system. In developing these data, the planning group should make sure that:
  - the data collected and used meet legal standards
  - the campus is assured that a fair, accurate planning process is being followed
  - legally required information regarding the layoff process is distributed to the appropriate personnel

DESIGNING A PLANNING PROCESS

In summary, the administrator who foresees faculty reduction should gather an able and representative planning group. The planning group should prepare to oversee a fair, comprehensive, and legal retrenchment process. The administrator also may find such a system to be useful for routine management purposes in times of stability. The group should address nine basic tasks.

- review role and mission statements
- review legal standards and procedures
- define circumstances necessary for retrenchment
- develop a data base
- develop policies regarding participation in the process deliberations
- examine alternatives to retrenchment
- develop policies regarding program discontinuance
- assess political considerations
- distribute policies and solicit comments

The completion of these tasks provides basic preparation for dealing with future faculty reductions with reasonable speed and comprehensiveness and may also provide the basis for an ongoing planning and evaluation process. Examination of these issues should be a process, not a single effort. As circumstances change or as new information becomes available, earlier efforts must be modified, and results recorded to avoid past mistakes.

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In many settings, careful planning will allow institutions to avoid cutbacks, others will not be able to avoid faculty reduction. In either case, the nature and effectiveness of planning—and the degree to which it meets the needs of all concerned—will depend in large measure on the ability of administrators. Mingle and Norris (1981, p. 67) advise that good leadership is essential in retrenchment and suggest that the most effective managers are those who are "internally oriented individuals willing to educate, cajole, and inspire their faculties to face up to the task of making choices." In performing that function, it will be necessary to recognize the factors important in a given setting and to initiate the development and implementation of a thorough review process well ahead of actual layoff actions.

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