

Developments in Business Simulation & Experiential Exercises, Volume 13, 1986

RESTRUCTURING THE UNIVERSITY - AN EXPERIENTIAL EXERCISE

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ABSTRACT

The author presents and comments on an experiential exercise addressing organizational structure and goal attainment.

INTRODUCTION

This experiential exercise was designed to expose students to the problems and challenges of meeting organizational goals by restructuring the operating portions of their own academic institution. It is of interest because instructors in management often discuss organizational structure, but few exercises are available to provide experience. Those that are available are seldom concerned with an organization that students are familiar with. In addition, the exercise exposes students to the difficult decisions that must be made when an organization must retrench. From the didactic viewpoint, this exercise is of interest because many of us come from institutions where there is considerable overlap in course offerings and content regardless of course title. For this reason, this exercise is adaptable to the instructors own institution and with a short perusal of the College Bulletin, the adaptation can easily be achieved. The author will present the version of this case study as it has been used over the past four years, comment on the results of the experience, and suggest how it might be applied in another institution. The name of the institution has been changed and the salary information has been changed but is realistic.

FACILITATORS NOTES

The exercise requires one to one and one-half hours to complete. My usual practice has been to end one class session with the introduction of the exercise and initiate the group meeting, then continue the exercise in the next class session. This seems to work well in seminar length class sessions. Any number of people can participate, divided in groups of three to seven members. The exercise requires a room with adequate space and furnishings to accommodate all groups comfortably.

Participants will need paper and pencils for diagramming the structural changes and calculating the dollar "improvement" and the instructor should have a

chalk board or art pad and markers so that the diagrams can be presented to the entire group. In addition, each participant should have a copy of the case study "Restructuring the University -An experiential exercise" or the facilitators modification of the approach using the facilitators own data.

Preparation

Prior to the exercise, participants should have read the portions of their texts and listened to lectures/discussions on organizational goal setting and organizational structure determination.

Application

This exercise has been used with success in courses in management principles, personnel courses and administrative behavior courses. It can also be used for discussions on the attainment of intended goals and unintended consequences resulting from the same decision.

Instructions to Facilitators

1. Prior to using the exercise provided, review your own institutional situation (course offerings and administrative structure) to determine if those data can be used in a similar context.
2. Introduce the exercise after class lectures and discussions on organizational strategy and goal setting and discussions on organizational structure. Some discussion on unintended consequences using the Gouldner (1) model as an example may also be presented.
- 3 Explain and review the mechanics of the exercise.
4. Give the groups about 25-30 minutes to arrive at a solution.
5. Discuss alternative solutions from both the goal attainment and the unintended consequences viewpoints.

To further generate discussion introduce the impact of salary differences between the faculties of the Colleges, with the Business faculty highest paid, followed by the College of Natural Sciences (which can be regarded as comparable to the rest of the University),

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and the College of Allied Health whose faculty generally have the lowest salaries at the University. This can lead into a discussion of organizational politics (2) and power/influence issues (3,4).

Experiences with this case worth noting.

The author has used this case at three institutions over the past four years with the following observations. Students often do not recognize the similarity of content areas as a basis for making structural changes. Students often want to make radical changes first, without fully discussing or determining whether the change is a reasonable fit for the organization, programs and personnel and the stated goal of cost reduction presented in the case. Students often try to deal with the apparent conflict between the Computer Science/Mathematics program and the MIS/EDP program without realizing there is no immediate gain toward the stated cost reduction goal that results from the shifting of these personnel.

THE CASE STUDY PRESENTATION

Midwestern State University is faced with the need to reduce its budget. All of the "easy" actions such as eliminating travel budgets, leaving open positions unfilled, and trimming operating expenses have been implemented. The University has a student population of 14,500 plus 1500 graduate students, mostly in education. The undergraduate distribution is as follows:

| | |
|------------------|------|
| Business | 4500 |
| Natural Sciences | 1500 |
| Humanities | 1750 |
| Law Enforcement | 2000 |
| Allied Health | 750 |
| other | 4000 |
| Graduate (all) | 1500 |

The administration is looking at reorganization possibilities as a means of achieving the revised budget goals. However the Board of Regents (the schools governing body) has made the following stipulations:

1. The numbers of currently employed teaching faculty must not be reduced.
2. No increase in the numbers of administrative personnel or staff may be made.
3. No one can become unemployed, however their positions and responsibilities may be changed.
4. No existing program may be put in a position of losing its accreditation.

The academic vice president is charged with determining and implementing the necessary changes to reduce the academic budget by the maximum amount possible. The current structure of the university is shown in Figure 1. A more detailed presentation of the College of Business (Figure 2), College of Allied

Health (Figure 3) and College of Natural Sciences (Figure 4) are also given. Additional information about the current University structure and detailed discussions of the program offerings are presented below. In addition to the three schools listed above the University also has a College of Humanities and Social Sciences, a College of Education, a College of Health and Recreation, a College of Law Enforcement which also offers first aid courses and a Graduate School. The normal teaching load is four sections and depending on the size of class sections anywhere from two to four preparations. Administrators at the department chair level receive an additional \$1500 in salary and a reduction in course load to two sections in classes plus the additional summer salary they would normally be paid for teaching two courses during the summer but without responsibility for teaching those courses. Deans are on twelve month appointments and receive \$50,000 per year. They are required to teach one course each year. Summer salaries are set as follows:

| | |
|----------------|--------|
| Instructor | \$1700 |
| Assistant Prof | \$2100 |
| Associate Prof | \$2400 |
| Full Prof | \$2700 |

The College of Business Administration

This School consists of five departments and thirteen programs. Several programs have specified options or enable a student to concentrate in a specific area such as computer programming as opposed to management information systems. The programs offered are summarized below. Many students in the Allied Health and Natural Sciences are required to take some of the business core courses as part of their major or minor programs. A specific example of this is the Principles of Management course required of Health Record Administration majors.

Department of Business Administration and Marketing

This department houses the management, marketing, general business and coal mining administration programs. There are a total of 17 faculty. Four are in the management area, four are in marketing Three teach in the coal mining administration program and six teach in general business.

Management offers three options: Business Administration --designed to train students to become mid-level managers and occupy staff supervisory positions.

Industrial Relations --Designed to develop skills in personnel administration, organization development and human resource management.

Operations Management --Develop skills in production management, quality control, inventory and operations research.

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Marketing offers two options:

Marketing -- qualifies students for positions in sales and sales management, retailing, market research, promotion and advertising.

Transportation --develop students to enter the field of transportation and physical distribution management.

Coal mining administration --qualifies students to enter managerial positions in the coal industry such as mine administrative positions, reclamation work, and occupational safety as related to the mining industry.

General Business --offers courses in law, the capstone policy course and courses in small business administration. There is also a major in general business designed for students planning to attend professional or graduate schools.

Department of Finance and Business Information Systems

This department houses 16 faculty members, four in each of the following areas, management information systems and programming, finance, insurance and real estate.

MIS/EDP --train students in business and applications of programming and management information systems development and management.

Finance --provides students with tools of effective decision making for careers in corporate finance, banking, investment firms and agencies.

Insurance -- Provide students with background for careers in the insurance industry and to attain CLU and CPCU certifications.

Real Estate - -develop students capabilities in real estate management, marketing, appraisal finance, and property management and development.

Department of Economics

This department has eleven faculty members who teach largely introductory economics and business statistics courses. Advanced courses are offered to all majors in the school of business. Economics majors are offered both through the School of Business and the College of Humanities.

Department of Accounting

This department contains eleven faculty members who teach the introductory accounting courses to all majors and business minors. There are two majors offered through the department.

Accounting -- a major in accounting is prepared to seek the C.P.A. certification and for accounting positions in government or industry.

Health Care Administration --Specific training for positions in hospital administration is

offered in a cooperative program with the College of Allied Health.

Department of Business Education and Office Administration

This department has eight faculty who teach business communications courses for all majors and office managements secretarial and business education courses to the respective majors.

Office Administration -- To provide office personnel to fill responsible positions in business and industry as executive secretaries, administrative assistants and other similar positions.

Secretarial program -- A two year degree program designed to train legal, medical and executive secretaries in office services. Business education - - For those students who want to teach business subjects at the secondary level.

The College of Natural Sciences and Mathematics

This college has six departments and thirteen programs. Many of the course offerings serve as distribution requirements for all students in the university and a large number of courses in the biological sciences and chemistry departments serve as service and preparatory courses for majors in the allied health programs (nursing, medical technology and environmental health). A joint doctoral program is offered in the biological sciences in collaboration with a major research university located about thirty miles away.

The Biology Department

The biology department offers four programs and has seventeen faculty. A master's degree program is also offered.

Biology --This major offers an overview of the biological sciences and its various component fields such as ecology, botany, environmental science, physiology, microbiology, biostatistics, entomology, vertebrate and invertebrate biology and cell biology.

Microbiology -- Emphasis is placed on the study of pathogenic and nonpathogenic bacteria, fungi, virology and parasitology in clinical and non-clinical settings.

Wildlife Biology-- Emphasis is placed on the management and health of terrestrial wildlife and their environments.

Aquatic/Fisheries biology --Emphasis on the management of fisheries and their habitats including pollution control and other aspects of water and aquatic biology.

Environmental Resources -- A major offering a broad overview of economic and environmental aspects of resources.

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The Chemistry Department

This department consists of ten faculty offering two programs.

Chemistry - - A general chemistry program containing course work in analytical, physical, organic chemistry and biochemistry.

Chemical technology - - A two year program preparing students for positions as laboratory technicians.

The Geology Department

This department offers three majors and a masters degree program. The programs are designed to prepare majors for careers in the petroleum, coal and other related industries, as well as teaching at the secondary level. The majors offered are Geology, Earth Science and a two year program in Geological Engineering.

Mathematics and Computer Science.

A twelve member department offering majors in Computer Science, Mathematics, and Statistics. A large number of the course offerings are designed to meet distribution/general education degree requirements. The department has few math majors and is trying to cope with the specialized offerings of general statistics courses by other Colleges such as business and law enforcement.

The Department of Natural Sciences

This is a six member department offering service courses attempting to interpret the sciences to non-majors with emphasis on the historical development of the sciences and their impact on society.

The Department of Physics and Astronomy

A department of six members, physics is offered as a major along with general education courses in physics and astronomy.

The College of Allied Health and Nursing

This college offers fourteen programs in six departments. The college has a total faculty of 37. The departments in the college are emergency medical technology, nursing, health records, medical technology, environmental health and occupational health.

Emergency Medical Technology Department

One and Two year programs offering certificates in EMT, Advanced EMT and the AA degree in EMT are offered. Students are trained in techniques and management of ambulance services and accident management. There are three full time faculty in the EMT department. Similar courses are offered in the

College of Law Enforcement, but not a certificate or degree program in this area.

Environmental Health Department

This department has three full-time and one part-time faculty. It offers a program in applied biology and chemistry with emphasis on public health aspects of pollution (air/land/noise/water) and disease transmission/control, and waste disposal. Students are trained to manage these types of public health problems.

Health Records Administration Department

This department has three faculty and offers four progressively attained certifications from medical transcriptionist through the four year health record administrator certificate and degree. The program is designed to train students in the effective management, storage, and retrieval of hospital records

Medical Technology Department

A total of seven faculty offering a two year medical assisting technology and four year medical technology and medical laboratory technician programs. These programs are designed to train personnel to perform the medical testing in support of physician decision making and attain appropriate certifications (ASCP etc.) to enable them to gain employment in hospital laboratories, clinics etc. Areas of study are hematology, clinical chemistry, clinical microbiology, parasitology and similar subjects.

Occupational Therapy Department

This department offers a four year training program in physical therapy and has seven faculty.

Nursing Department

The largest department in the College, two programs are offered leading to two year and four year nursing degrees along with state P.N. or R. N. certification.

ASSIGNMENT

Given the information above, re-structure the University to attain a maximum reduction in costs within the requirements of the Board of Regents.

POSSIBLE SOLUTION

One solution that appears to meet all of the requirements is as follows:

- A. Move the Emergency Medical Technology Department to the College of Law Enforcement. Net savings 1/2 FTE plus administrators increment
- B. Move the Medical technology, Occupational Health and Environmental Health departments to the Biology, Chemistry or Physics Departments.

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Savings as for A for each department. Be careful to watch the workload in these departments
 C. Move the Health Records Department to the Office Administration Department. Savings as in A.
 D. Move the Nursing Department to the College of Natural Sciences as a separate department. (This meets the accreditation requirements as well as maintains administrative integrity of the University).
 D. Create a position of Government Liaison for the former Dean of the College of Allied Health (no change in administrative positions as the Deans position is eliminated).

REFERENCES

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- (4). Grimes, A. J. 1978 Authority, Power, Influence and Social Control: A Theoretical Synthesis Academy of Management Review 3(4) :724-735.

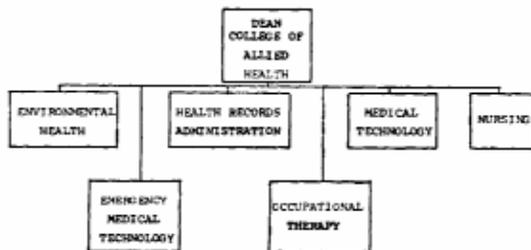


FIGURE 3. STRUCTURE OF THE COLLEGE OF ALLIED HEALTH

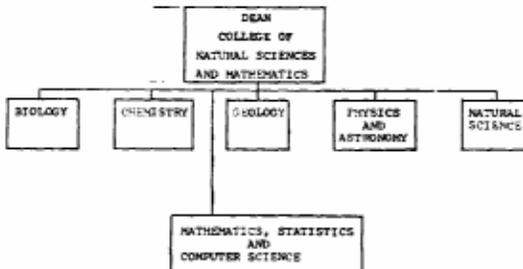


FIGURE 4. STRUCTURE OF THE COLLEGE OF NATURAL SCIENCES

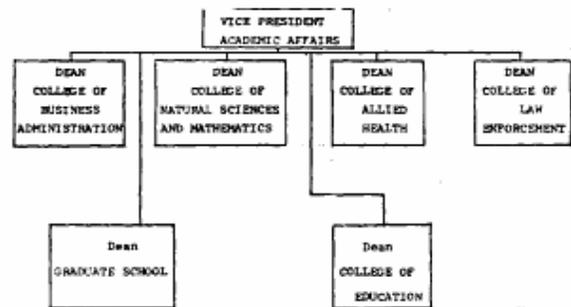


FIGURE 1. STRUCTURE OF THE UNIVERSITY (ABOVE)

FIGURE 2. STRUCTURE OF THE COLLEGE OF BUSINESS (below)

