SOUTHEASTERN OKLAHOMA STATE UNIVERSITY

2009-2014

The June 2014 meeting of the Southeastern Executive Team and the Higher Learning Commission self-study committee had just concluded. The summary of the visit had been presented and appeared to be very positive. The University met all criteria and core components, no follow up action was required (focus visits, monitoring, or progress reports) and the commission recommended the institution be placed in the Open Pathway for reaffirmation of accreditation in the future.

As the University moved forward, everyone realized it would be necessary to consider information from a number of key areas; engage in system wide and integrated planning; develop planning and development processes; and, follow a model of continuous improvement. In order to accomplish this responsibly might take most of the 2014-2015 academic year.

UNIVERSITY CONTEXT

Southeastern Oklahoma State University is one of six regional institutions in the Regional University System of Oklahoma (RUSO) and was established as a normal school in 1909 with an early mission of training public teachers. The University has grown to approximately 4,000 students; 144 full-time faculty and 216 full-time staff; a total Educational and General (E&G) I budget of $47,876,066; six outreach sites in Oklahoma and two in North Central Texas; and offers 40 baccalaureate and 12 master degrees. Prominent undergraduate degree programs relative to the number of majors and graduates include Elementary Education, Biology, Occupational Safety and Health, Psychology, Health and Physical Education, Communication, Criminal Justice, Management, Aviation, Recreation, Accounting and English. Graduate programs are available in School Counseling, Elementary Education, School Administration, Business, Counseling Psychology, Aerospace Administration, and Occupational Safety and Health.

Over the past five years, the institution faced a number of challenges including fundraising in light of declining state appropriations; dealing initially with debt coverage associated with previous construction projects; gradually increasing reserve requirements to meet Oklahoma State Regents for Higher Education (OSRHE) standards; reestablishing the University's identity and focus; continuing development of a new and changing administration; refocusing responsibility and accountability at the School and Department levels; maintaining emphasis on realignments and integration of key functional areas; continuing implementation of cost controls and operational efficiencies; and, pursuing combinations of student recruitment and retention strategies in consideration of changing demographics and course delivery methods.

Foremost among the key challenges in 2009 was to gradually increase reserve requirements to the required level of 8.33 percent of budgeted expenditures. At the end of the fiscal year 2008 (June), Southeastern had the lowest reserve level at 2.74 percent while the other RUSO institutions ranged from 5.85 to 8.53 percent. The low percentage was primarily due to obligations on debt service and additional cash outlays needed to cover increased construction costs over the previous five years.

During the past ten years, the institution experienced significant resource challenges with the percentage of state appropriations for E&G I dropping from 61.3% to 39.3% in 2014 while student tuition and fees increased from 34.2% to 57.4%. The reallocation of existing funds to cover mandatory costs, which averaged in excess of $600K/year, helped to minimize the increase in student tuition and fees. Operating budgets were reduced by 5% in 2009 and vacant positions were unfilled during that time in order to cover the redirection of funds. Later, in 2013-2014, the 5% cut in operating budgets was restored to all units, and an additional $40K was allocated for professional development of faculty. In addition, during this same time period Southeastern's Composite Financial Index (CFI) increased from 0.55 to 2.43 (the CFI had dropped to 1.7 for fiscal year ending June 30, 2013 due to decreases in University operating revenues and the Southeastern Foundation's contributions).

Although enrollment fluctuated and semester credit hour (SCH) production hit a 20 year high in 2009-2010, SCH has declined since 2010 dropping to 94,176 SCH forecasted for 2014-2015. Despite these challenges, Southeastern continued to fill faculty positions and to obtain new specialty accreditation (Association to Advance Collegiate Schools of Business-International and Council for Accreditation of Counseling and Related Educational Programs). The university also maintained other specialty accreditations (Aviation Accreditation Board International, National Council for Accreditation of Teacher Education, National Association of Schools of Music). There continued improvement to its reserve requirement and financial ratios as well as campus beautification and initiating a comprehensive faculty and staff development program.

It was anticipated that some of the funds committed to raising the reserve can now be used to increase faculty and staff salaries. For example, in order to fund a 1% increase in salary, it would cost the University $271,621-- with no increases in state appropriations that would result in a 2.2% increase in tuition to cover the cost. It was felt that the lack of salary improvement over time caused morale to suffer, especially among faculty.

ORGANIZATION AND PROFESSIONAL DEVELOPMENT

The issue of strategic and operational planning had been somewhat unique over recent years. During the past ten years, there were four changes in Presidents and four to five changes in the chief academic officers. It was evident with that much transition some difficulties would emerge in sustaining any particular initiative. Therefore, during 2009-2010, the executive team reviewed the strategic plan and determined that it would be viable for the next five years. Their greatest concern was not strictly focused on redoing the strategic plan itself, but more importantly, about the development of additional capacity for transitional leadership. To some, this appeared to be a little "out of the box," but the team felt that this approach would strengthen the institution, both currently and for the future, and address functions typically associated with traditional strategic planning in preparation for the next major cycle (2015-2020).

Subsequently, the University invested in its human resources through several initiatives. Southeastern was in the third year of a 5-year compensation plan to increase faculty and staff salaries through a series of stipends that are rolled into salary the following fiscal year. The stipend was based on the number of years of service as well as employment status (fulltime vs. part-time). Second, the creation of the Southeastern Professional Development Program (SPDP) in 2009 provided multiple opportunities for faculty and staff to participate in professional development activities both on and off campus helping to promote transformational change. Coupled with this program was the Southeastern Organization and Leadership Development Program (SOLD) which sponsors numerous seminars, speakers and workshops that enhance the skills of faculty and staff, promotes university involvement, and provides critical updates on current issues in higher education.

The roots of the planning approach was in the SPDP technically began in the summer of 2009 and was funded by the generosity of a private donor. The intent of the program was to put theory into practice by developing both short-range and long-range actions plans that address current challenges and better prepares Southeastern to meet the challenges of the future. The mission of Southeastern is to provide an environment of academic excellence that enables students to reach their highest potential. Accordingly, the University has a strong commitment to the highest quality of teaching, research, and scholarship. The students, faculty and University staff are the key to the attainment of this overarching goal and the SPDP became the cornerstone of this effort.

By encouraging and supporting the continuing professional development of faculty and staff members, the University is able to build capacity to meet this goal, and through the work of

academic staff in particular, to advance the quality of learning of the students. The opportunity for the faculty and staff of Southeastern to participate in professional development at the highest levels of their profession would have a transformative benefit, both immediate and lifelong, for the students.

Starting in 2009, individuals and groups of individuals from Southeastern began attending programming at Harvard in an effort to begin the process of the transformation. Approximately 20 individuals participated in 36 institutes, seminars, or programs at Harvard or Vanderbilt Leadership Development Programs. These programs included such topics as the following: Seminar for New Presidents, Institute for Educational Management, Leadership Institute for Academic Librarians, The Art and Craft of Discussion Leadership, Institute for Management and Leadership, Management Development Program, Surviving and Thriving in the New Normal, Crisis Leadership in Higher Education, and Inner Strengths for Successful Leaders.

After participants returned from their respective programs they were requested to serve as facilitators for three major professional development sessions in 2011 (June 21, September 30, and November 10-12 of 2011). Assisting at the sessions were facilitators from the Harvard University Graduate School of Education including Dr. Joseph Zolner, Senior Director of Higher Education Programs; Dr. Judith Block McLaughlin, Senior Director of Higher Education Programs and Senior Lecturer on Education; and Dr. James Honan, Senior Lecturer on Education. Participants were involved in both large and small group discussions. Each small group was charged with raising an issue or concern and then formulating an action plan to address that particular issue. The group also offered input on changes to the organizational structure at the University.

Through the process, the University gained different perspectives and ideas on how to work together in continuing to move the University forward. The small groups developed action plans and worked diligently in developing and implementing those short-term plans. The short-term action plans implemented by the eight teams include academic planning and programming review, civic engagement, I AM SE (campus beautification), Blue/Gold—including a mascot character, stipends/salary/morale, a True Blue campus/community project, a master planning calendar, development of a Founder's Day event (Southeastern history and identity), internal communications (Yammer system), and improved billing statements for students.

The SPDP continues to move forward through integration of the long-term action plans. This is the next stage of development in the initiatives from the major session culminating in November 2011. The 30 long-term action plans were initially reviewed for integration by group facilitators to determine viability of integrating plans into their current team efforts. Currently, Southeastern is transitioning those 30 plans into the continued implementation of the results of the eight teams. The key thrust of the integration will be to sustain the momentum of the program for the long term. The resulting outcome appeared to improve the ongoing communication with executive, administrative, faculty, staff, and student groups. There continues implementation of leadership development programs; short-term action plan implementation; and long-term integration into those plans emerging from the SPDP.

The continuing work through the organizational change and transformation project will also play an important role to ensure positive relationships with internal constituencies. This includes the next phase of the SPDP, the Southeastern Organizational Leadership Development (SOLD) Program, ongoing faculty/staff development efforts, individuals participating in external institutes, and internal case studies and related discussions. Specifically in regards to the SOLD program, several additional ideas and seminars (other than the core courses) were added for staff/faculty development. Those include diversity, economic development, university financial fundamentals, campus safety, university history, and engagement programming.

The continuing organizational change and transformation project resulted in a number of positive outcomes to date—stipend increases for two consecutive years; revision of the SE tuition waiver benefit for eligible dependents; a new format for the shared governance forum implemented in the spring; and, regular meetings established by administrators with the Faculty Senate, the Southeastern Staff Association, the Student Government Association, and the chapter of the AAUP.

It was felt that Southeastern's investment in its faculty, staff, and students through the establishment of the SPDP and associated activities produced two major outcomes:

- First, numerous tangible and practical accomplishments were achieved even during very some very challenging economic conditions. Faculty, staff, and students worked together to turn challenges into opportunities; these efforts transformed the institution and better prepared it for the future.

- Second, beginning the development of the next generation of leaders at Southeastern. Everyone's time at an institution is finite and new individuals must be prepared and able to step up to meet future challenges. Over 90 faculty, staff, and students directly participated in the initial programming on campus; countless others are now involved in putting theory into practice by implementing the action plans. This effort enabled numerous individuals to develop the skills, behavior, and knowledge needed to serve as the next generation of leaders at Southeastern.

FUTURE CHALLENGES

As the HLC project wound down, it was evident that Southeastern embraced the findings and recommendations of the previous HLC team in 2003 and there was significant progress in the areas of diversity, accessibility, documenting complaints, technology upgrades, institutional branding/communications, professional development, and streamlining reporting structures within academic and administrative operations.

However, areas that remain a challenge include reliance on adjunct faculty instructors in some programs and implementing centralized processes for the development and evaluation of part-time and adjunct faculty. Based on the findings of the current self-study report, Southeastern had already implemented plans to address both of these challenges.

Most people in higher education did not project significant increases in funding from the state of Oklahoma in the next several years. For this reason, it appeared that the number one challenge facing Southeastern in the next ten years would be finding alternative revenue sources. A multi-faceted approach to recruit and retain students will be one strategy Southeastern uses to generate additional revenues. First, new revenues could be generated by increasing the retention and completion of existing students. Southeastern developed institutional strategies to achieve the ambitious but achievable goals for both retention and graduation and it would be necessary to implement these strategies as set forth by a task force.

Secondly, the development of a more intentional strategy to attract, enroll, and retain international students should increase the number of international students on campus and also address the decline in residential students living on campus. Southeastern currently is searching for both a Director of International Student Services and an International Student Services Admission/Immigration Advisor.

Third, the delivery of targeted programs to high demand areas at additional locations should increase the numbers of students and SCHs generated. For example, Southeastern has received authorization to offer the B.S. in Occupational Safety and Health at the Van Alstyne Campus of Grayson College in Texas. No other institution in the area offers this type of program and it will be offered at a location that is less than 45 minutes away from the Dallas-Fort Worth metroplex. Although not new sources of revenue, development of strategies to use existing funds more efficiently will help offset the consequences of increased mandatory costs and/or reduced state allocations. The more strategic alignment of new faculty to high-demand and high-profile programs by delivery site would more effectively use existing resources as well as thorough examination of the increase in course sections during periods of enrollment decline.

Closely related to revenue generation was the continuing emphasis and evolution of marketing efforts. In 2009-2010, there were initiatives developing an enrollment management plan, a strategic marketing plan, and a recruiting strategies plan. Another draft of the strategic marketing plan was completed in 2011 including recommendations in fundraising, recruitment and retention, and key enrollment goals. Other sections covered target markets, demographics, competition and positioning, the University, and marketing goals and strategies.

Additionally, since 2012 there was increasing focus on social media and a stronger presence and identity in moving forward with those initiatives relative to positioning and branding. A Director of Interactive Marketing position and a Marketing and Branding Task Force was created and during fall 2013, culminating a two year process, there was a successful introduction of a new official University mascot, imagery, and logo. The major question now was how the institution should go forward with its marketing efforts as well as make any necessary changes that would impact fundraising, enrollment, retention, financial position, and the academic core.

Another important recommendation from the HLC self-study report was the overall approach to be used in formal planning processes in the future. It was recommended that a more formal process be initiated that reconnects to existing governance structures, either by using existing teams and initiatives to be reprogrammed into existing structures, or by supplementing them with established teams of faculty and staff with communication links back to the existing planning groups such as the Southeastern Professional Development Program.

It seemed as though some of the same questions and dilemmas raised in 2009-2010 are just as relevant. From a budgetary standpoint, several questions always seem to be present:

- What is the range of the state appropriations expected for the next 2-3 years? What are the expected increases in mandatory costs and revenues needed to support the budget projections? How would this be reflected in the increases in tuition and mandatory fees?
- What will be the legislative/student climate in regard to tuition increases?
- What will be the range of SCH projections over the next 2-3 years?
- What assumptions can be made in the percent increase impact on tuition rates or in student credit hours (for example, a 1% increase in tuition rates or SCH would equal $115K, etc.).
- Southeastern continues to adjust payment plans for students with outstanding balances in order for them to stay in school and continue their education. Does the program need to be adjusted and revised?
- Southeastern scholarship programs (both cash and waivers) have increased substantially over time. How successful have these programs been and can they be more effective? Also, can scholarship dollars be better leveraged to support enrollment, retention, and graduation goals?
- What is the plan of action for reestablishing the grant writer position in place since spring 2009? How can communication and coordination of grant writing be improved for the University?

Similarly, a number of questions from the 2009-2010 organizational structure redesign and transformation project also seemed relevant:

- How can I rethink what I do?
- What are we trying to achieve in changing any of our organization and leadership capabilities?
- What problems need to be solved?
- What areas of the University need attention?
- How good are our skills, processes, and systems?
- Where can we use what we have?
- Where do we need something new?
- How do we handle any timing of implementation and sequencing of priorities and actions?

Attachments:

A: Vision, Mission, and Strategic Commitments

B: Southeastern Organization Chart

C: Five Year Financial and Enrollment Trends

D: Enrollment Trends by Site/Delivery

E: Composite Financial Indices and Ratios

F: Southeastern E&G I Sources and Uses of Funds—2014/2015 Budget

G: Timeline for Budget Preparation

H: Chronology of Major Events for Southeastern Professional Development Program (SPDP)