

**Tennessee Technological University**  
**Task Force Budget Review of Administrative Costs**  
**March 24, 2009**

**1) COMPARISON TO OTHER UNIVERSITIES:**

Overall, administrative costs at TTU appear comparable to the relevant peer groups, both within and outside TBR:

- Reference to the 2008-09 budget data indicates that TTU is mid-range within most administrative categories, relative to the budget percentages at other TBR universities. The categories of Academic Support, Student Services, and Institutional Support were all reviewed. Dependent upon whether July or October data is referenced, TTU ranks second or third among the six TBR universities in Academic Support spending.
- Beyond TBR, in the 2008 data reported by the Integrated Postsecondary Education Data System (IPEDS) there are no significant differences in any of the FTE-based spending comparisons. This also holds true for the three IPEDS Institutional Comparison Reports (THEC Funding Peer Institutions, Tennessee Public Universities, and Ohio Valley Conference Institutions).

The Task Force examined administrative cost data that was summarized at a relatively high level. Further analysis at a more detailed level may possibly reveal sub-areas where TTU costs exceed that of peer institutions. Any substantial savings, however, would most likely involve personnel reductions. TTU may want to assess the outcome of the proposed buyout plan before considering additional reductions in force.

**2) STREAMLINING TO INCREASE PRODUCTIVITY:**

- Consider modernizing the campus by replacing existing paper flow with electronic documents, wherever appropriate. Given current resources, the campus may be unable to achieve this in a single leap. In that case, TTU should give priority to high-value targets (in terms of savings potential).
- Start with the adoption of an electronic signature system, as many documents require approval by one or more administrative personnel. Analysis done for one TTU process reportedly revealed that TBR policies allow for electronic signatures, and that electronic signature systems are not necessarily costly.
- Apply “lean manufacturing” concepts to the TTU campus. In the context of administrative streamlining, these concepts would compel us to evaluate an entire process from start to finish (for example, the hiring of a new employee). The purpose is to locate and remove any “waste” from the system, i.e., things that are unnecessary or do not add value. In short, at each step evaluators would ask a series of questions, such as:
  - Why are we doing this step?
  - Is it necessary?
  - Can it be done better or more efficiently?

- Give priority to streamlining those administrative processes that affect the entire campus. Two prime candidates might be the TTU hiring process and the TTU tenure and promotion (T&P) process. The campus, understandably, needs and wants to observe all legal and TBR requirements. Still, there are undoubtedly more efficient ways to accomplish these tasks without changing the original intent. Former Provost Barker reportedly remarked that TTU has the most complex T&P procedures within the TBR system. A look at how comparable campuses handle T&P would be a good place to start.
- Hold open sessions across campus to ask people, what might make you more productive? At task force meetings, we applied this to procedures for which we had personal knowledge. Obviously, there's much territory that the Task Force could not adequately address.

### **3) CONSOLIDATION OF UNITS AND RESOURCES:**

- Consider consolidating the Counseling Center with Disability Services. Cost savings might be achieved if both functions were placed under one director. A combined department might require less clerical staff.
- Evaluate the consolidation of advisement centers for freshman and sophomore level students (Business, Education, and Gen Ed). Another lower-division advisement center is reportedly being considered for Interdisciplinary Studies. These centers perform many common functions; only a portion of the advisement function for lower-division students is unique to a specific college.
- Ask how we might pool resources, within colleges or across campus. A couple examples:
  - Does every college and center need personnel capable of producing high-quality external reports? Or could a few people proficient in desktop publishing serve multiple units?
  - Does every support person have to be dedicated to a single unit, or could certain staff within a college "float" to where they are most needed that particular day?

### **4) OTHER RECOMMENDATIONS:**

- Rethink the number of signatures required to complete a *routine* procedure. In some situations, the number of signatures required by TTU internal requirements exceeds the external requirements, lengthening the process with questionable value added. In other situations, personnel are asked to sign off on documents prepared by others despite lack of sufficient detailed knowledge to vouch for a document's accuracy. An alternative is to keep all relevant parties informed without requiring everyone's signature; an application well suited to an electronic document system. This would still allow non-signatory parties to intervene when they deem it appropriate.

- Reexamine the \$400,000+ spent annually on credit card processing fees. Most students have alternative methods to pay the university and if they paid these fees themselves, they might make different choices. Pepperdine University has reportedly already stopped accepting credit cards.
- Proceed with modifications to the TTU cell phone plans, as outlined by Telecommunications, upon approval by VP Stinson and other designated administrators. Cost savings are estimated to be in the range of \$3000 to \$3500 per month.
- Study the campus mail system to determine if it can function with fewer personnel. Could work-study students possibly deliver campus mail, at least between buildings? This is related to our earlier suggestion to move in the paperless direction. If there is less paper to distribute, there will be less need for campus mail services.
- Consider ways to make more productive use of the TTU work-study students. It has been observed that work-study students often sit idle, for lack of assigned duties. Off-loading appropriate tasks from TTU permanent employees onto students could reduce personnel costs. Implementation of this suggestion would require additional initial coordination between Financial Aid and the needs of various campus units. Possible changes to consider:
  - Assign more students to the same unit for four years, to reap the benefits of experience and the learning curve
  - Place more students within a unit where they can utilize the expertise gained from their field of study
- Review the use of Student Success Fee monies and the effect of the UNIV 1020 course on retention rates. Could these monies be better utilized? Will the proposed residential village system render some features of UNIV 1020 redundant?

### **CONCLUDING THOUGHTS:**

- General observation: Many processes evolve over time, one “patch” at a time, without adequate thought given to the overall, cumulative effect. Can the Tech community step back and examine the larger picture, then ask if we are doing things in the smartest way possible? Sometimes this requires a fresh pair of eyes, from someone who doesn’t have a vested interest in defending the status quo.
- To paraphrase a thought from Provost Armistead: It’s not that TTU people are spending time on unnecessary things. Rather, in times of severe budget reduction, we may need to rethink priorities. Continue performing those tasks that are most necessary and worthwhile—and discontinue lower-value tasks.

### **TASK FORCE MEMBERS:**

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