

# Eller College of Business and Public Administration

## University of Arizona

### Strategic Plan

**2003-2007**

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(Draft 1.3 - 9/20/02)

## ELLER COLLEGE OF BUSINESS AND PUBLIC ADMINISTRATION

### VISION

We will become one of top 5 public schools of business and public administration. We will attain this threshold of excellence through building on our proud history of identifying emerging areas of importance and developing them into points of excellence. As we have been first-movers and are leaders in entrepreneurship and information and technology management, we will lead through the integration of business, public administration and social responsibility.

### MISSION

The Eller College's vision will be manifest through an integrative approach permeating our core endeavors. These endeavors are to:

- **DISCOVER:** conduct research that advances the understanding of organizations and markets while improving business practice and government policies.
- **EDUCATE:** teach foundational and functional knowledge while striving to instill integrity, creativity, entrepreneurial spirit, leadership, interpersonal skills, and social responsibility.
- **SERVE:** undertake activities that improve the society within which we operate.
- **INSPIRE:** accord primacy to our people, their ideas, and their integrity.

### GOALS

To fulfill our mission, we have the following five-year goals:

- Move our academic programs to the highest level of excellence among public schools by improving input and output quality while heightening the long-run satisfaction of all stakeholders.
- Become the leading public school in the promotion of home-state benefits from the ideas generated on campus, especially by enhancing technology transfer.
- Raise our recognition in business and research communities so that it is consistent with a top 5 public school.
- Strengthen our intellectual base through increased retention and adding 20 distinguished faculty who will advance our College vision and mission.
- Dramatically improve our resource base so that our annual operating budget grows by \$10 million.

## II. TABLE OF CONTENTS

	Page
I. Vision, Mission, Goals	2
II. Table of Contents	3
III. Executive Summary	4
IV. Situational Analysis	5
V. Tactics for Achieving Goals	14
VI. Metrics for Assessing Goals	23
VII. Summary of Strategic Planning Process	30

## II. EXECUTIVE SUMMARY

A situational analysis reveals that the primary strengths of the Eller College are quality and diversity of people and research contributions. The research strength is exhibited in both the informal culture of the College and tangible outcomes such as publications and grant dollars. The primary weaknesses are the small size of the faculty given the student size and number of academic programs and inadequate and diminishing annual State budgets. Opportunities include engaging more actively in University technology transfer efforts and increasing our revenue base through differential undergraduate tuition. The primary threat is from other business schools around the country with far greater resources that are hiring away our best faculty.

Based on this situational analysis, we developed a vision of the Eller College being a top-5 public college of business and public administration. We intend to achieve this distinction by enhancing our leadership in entrepreneurship and information and technology management and by becoming established leaders in integrating business, public administration and social responsibility. To achieve this vision we have developed goals of innovating our curriculum, enhancing technology transfer, increasing our business and academic recognition, strengthening our faculty, and dramatically improving our resource base.

Specific tactics are developed for each of the five goals. In addition, we have identified ways in which our College leadership themes (entrepreneurship; information and technology management; and integration of business, public administration, and social responsibility) can be enhanced through teaching, research, and outreach. In some cases, proposed tactics need to be developed more thoroughly by departments or College committees. Following the tactics, metrics are identified that provide concrete outcomes by which to assess goal attainment.

Also included in this strategic plan are summaries of the strategic planning process and the development of the Eller College Vision.

## IV. SITUATIONAL ANALYSIS

### IV.1 Internal Analysis

The Eller College has a reputation and record of accomplishments that clearly exceeds levels that would be expected given our State funding levels. That is, we have been able to leverage an unusually small resource base into significant accomplishments in research, education, and outreach. We have been able to do this through dedicated people and an entrepreneurial organizational culture. In this section, we review the strengths and weaknesses associated with financial resources, people, research, education, and outreach.

#### IV.1.1 Financial Resources

Although our University resources have been reduced in the past few years, our sources of alternate funding have increased substantially. Thus, our overall financial resource base has improved. Table 1 provides a summary of sources and uses of funding for 2001-2002. As can be seen, non-state sources of funding accounted for approximately 50% of total College funding.

**Table 1: Statement of Sources and Uses of Funds (2001/2002)**

	State Accounts	UA Foundation	Total	Percent
<b>Sources:</b>				
State	\$ 14,974,353		\$ 15,533,553	43.7%
State Employee Benefits	2,330,033		2,330,033	6.8%
Day Masters Program Fees	1,269,124		1,269,124	3.7%
Weekend/Evening MBA Program Fees	1,705,231		1,705,231	5.0%
Auxiliary Revenue	295,243		295,243	0.9%
Summer Session	1,283,534		1,283,534	3.7%
Gifts/Designated Funds (Expendable)	606,530	3,132,238	3,738,768	10.9%
Interest Income on Gift Funds		380,725	380,725	1.1%
Sponsored Projects	6,833,457		6,833,457	20.0%
Other Restricted	1,439,880		1,439,880	4.2%
Total Sources	\$ 30,737,385	\$ 3,512,963	\$ 34,250,348	100.0%
<b>Uses:</b>				
Faculty Base Salaries	\$ 10,119,604		\$ 10,119,604	29.5%
Weekend/Evening MBA Salaries	949,534		949,534	2.8%
Faculty Research Support	1,257,611	873,192	2,130,803	6.2%
Salaries - Academic/Research Professionals	2,215,566		2,215,566	6.5%
Salaries – Classified Staff	3,267,752		3,267,752	9.5%
Salaries - GTAs/Students	2,729,212		2,729,212	8.0%
Benefits - Employee Expenses	3,081,175		3,081,175	9.0%
Operations	3,144,709	1,083,784	4,228,493	12.3%
Travel	401,589	30,213	431,802	1.3%
Capital	656,265	37,309	693,574	2.0%
Student Support	883,215	120,250	1,003,465	2.9%
Indirect Costs	1,390,402		1,390,402	4.1%
Increase in Operating Fund Balances	640,751	1,368,215	2,008,966	5.9%
Total Uses	\$ 30,737,385	\$ 3,512,963	\$ 34,250,348	100.0%

The primary weakness of the Eller College is its annual State budget. This amount (\$14.9M 2001-2002, \$14.5M 2002-2003) is budgeted centrally by the Provost and comes from a University State budget allocation that reflects both tuition and State appropriations. Budget cuts in the past two years have seen this allocation drop from a “pre-cut” level of \$15.5M. We see two fundamental causes to this under-funding problem. First, Arizona does not provide adequate funding to its state universities. Tuition is kept low (\$2,594 in-state) as directed by a State mandate to keep tuition as nearly free as possible and the State does not compensate for low tuition revenue by increasing State allocations. Thus, the University of Arizona is under-funded relative to peer universities.

Second, the Eller College does not receive a sufficient share of the University budget. There is no connection between students served (SCH or FTE) and funding, rather allocations are based primarily on a historical basis. There also have not been any funding adjustments based on rising faculty costs. Consequently, as shown in Table 2, the Eller College receives funding at a level (expressed in terms of State dollars per student FTE) comparable to our Colleges of humanities and social and behavioral sciences, and half that of science and engineering. Another way to consider this imbalance is by comparing the share of tuition and State allocations per students that are passed onto the Eller College. Based on tuition and State allocations, the Eller College generates approximately \$62 million for the University of Arizona. Our present annual budget allocation is approximately \$15 million. Therefore, we receive less than 25% of revenue generated, or are “taxed” at a rate of 75%. A comparison of our peer public business schools indicates that the average “tax” rate is 32% with a range from 20-50%. Clearly, we are receiving a much smaller portion of the University budget than internal and external comparisons suggest we should receive.

**Table 2: Comparison of 2000-2001 College Funding at the University of Arizona**

Colleges	State Expenditures*	Total Majors	Total Degrees Awarded	Student Credit Hours	State funded Faculty	SCH per Faculty	State Expenditure per Student FTE
Agriculture	\$34,113,557	2,253	629	45,122	149	303	\$9,478
Architecture	\$4,034,389	509	72	8,893	30	296	\$5,606
<b>Eller BPA</b>	<b>\$18,081,467</b>	<b>5,632</b>	<b>1,287</b>	<b>90,777</b>	<b>106</b>	<b>856</b>	<b>\$ 2,462</b>
Education	\$8,664,918	2,367	559	35,287	76	464	\$2,788
Engineering & Mines	\$21,342,596	3,156	600	47,538	141	337	\$5,416
Rogers College of Law	\$7,012,346	475	172	13,664	26	526	\$5,138
Fine Arts	\$13,386,071	2,300	514	60,375	134	451	\$2,927
Humanities	\$19,064,486	1,367	418	116,141	171	679	\$2,273
Science	\$50,243,774	3,682	667	137,944	338	408	\$4,997
Social & Behavioral Sc.	\$28,308,775	5,077	1,343	150,409	246	611	\$2,485
Provost	\$275,015,637	34,490	6,866	781,030	1,758	444	\$5,582

\*State Expenditures are comprised of both State budget allocations plus employee related expenses (benefits).

We have become very successful over the past five years in generating alternate sources of revenue. Table 3 demonstrates that over the past five years we have grown our endowment, research grants, alumni and corporate annual giving, and masters professional fees. The growth

in endowment has supported the establishment of 26 professorships and 21 junior faculty fellowships. Our research grant generating success places us at the top of all business schools. Annual alumni giving has risen from 5% in 1997 to 10% in 2002, with a corresponding 300% increase in revenue generated. The MBA and other professional masters degree fees supplement the regular tuition levels and 90% of the incremental revenue is passed to the Eller College (75% in operations and 15% in scholarships). This year (2002-2003) all students in our business masters degree programs are paying \$9,000 fees in addition to regular tuition (total tuition and fees: \$11,594 in-state, \$20,114 out-of-state).

**Table 3: Alternate Sources of Funding**

Funding source	1996-1997	2001-2002
Eller College endowment	\$5.2 M	\$37.5 M
Research grants	\$2.8 M	\$6.4 M
Alumni and corporate giving	\$0.16 M	\$0.62 M
Masters programs fees	\$0.2 M	\$3.0 M

IV.1.2 People

The Eller College has a history of attracting and developing world class researchers. With a strong emphasis on faculty with social science backgrounds, we have developed a “research culture” that is more similar to a social science college than a traditional business college. Unfortunately, in recent years, we have experienced significant turnover in senior faculty with major losses in economics, marketing, finance, and management and policy. In fact, over the past three years we have exported 18 tenured faculty to rival schools while importing 8. With fewer senior faculty, mentoring untenured faculty has become more difficult, particularly in departments such as finance, which currently has two full professors, no associate professors, and five untenured assistant professors. The lack of “critical mass” in marketing, finance, and management and policy has also negatively impacted doctoral programs. Table 4 presents a summary of Eller faculty by department and rank.

**Table 4: Eller Faculty**

Department	Faculty Rank				Totals
	Professor	Associate Professor	Assistant Professor	Multi-period Lecturer	
Accounting	3	5	3	4	15
Economics	10	8	3	0	21
Finance	2	0	5	3	10
MAP	3	5	2	3	13
MIS	5	2	6	5	18
Marketing	2	1	4	2	9
SPAP	3	3	2	1	9
Bus. Comm.	0	0	0	3	3
Administration	2	0	0	1	3
TOTAL	30	24	25	22	101
Percent	29.7%	23.8%	24.7%	21.8%	

The Eller College has historically been a leader in faculty diversity. Across all faculty we have 28.4% women and 5.8% non-Asian minorities (see Table 5), but the numbers for women are lower for tenured faculty (16.6% women). In 1999, *Business Week* documented that of the top 25 business schools, University of Texas, Austin was the leader in tenured minority faculty with

6.0%. At 7.4% tenured minority professors, we are clearly in a strong position relative to peers. However, given an emphasis on diversity by many of our peer business schools, we are feeling increasing retention pressure in this domain. Over the past year, we lost two female full professors in marketing, one female full professor in MIS, our only female full professor in management and policy, and our only tenured female associate professor in economics. We have gone from seven female full professors down to three. Over the past year, we have also fought to keep our two African-American tenured professors and are still waiting to determine our ultimate success.

**Table 5: Eller Faculty Diversity**

	Faculty Rank				Totals
	Professor	Associate Professor	Assistant Professor	Multi-period Lecturer	
Total Faculty	30	24	25	22	101
Female	3	6	6	14	29
Percent Female	10%	25%	23%	64%	28%
Minority	1	3	1	1	6
Percent Minority	3%	13%	4%	5%	6%

As our faculty size has decreased over the past 10 years, we have maintained and in some areas increased our teaching load through greater reliance on full-time teaching faculty. We have two levels of multi-period teaching faculty, lecturers and senior lecturers. Both groups are non-tenured faculty with renewable three-year contracts. We have successfully developed a strong group of lecturers and senior lecturers, most of whom have doctoral degrees (73%) and many of whom have publications. Additionally, all tend to be strong and innovative teachers. However, we need to address promotion and the career model for lecturers as this process is not yet clearly defined. We have assigned a College committee to examine the promotion process from lecturer to senior lecturer and develop guidelines on three issues: 1) promotion criteria, 2) necessary documentation in the promotion packet, and 3) operational difference in status between lecturer and senior lecturer. Further, the College Advisory Committee (which is the primary faculty and staff advisory group) is currently developing a position statement on the status and voting rights of lecturers and senior lecturers.

IV.1.3 Research

As indicated earlier, the Eller College has a strong commitment to research and a research culture crosses the College. We have many strong research centers with international reputations including the Center for the Management of Information, the Economic Science Laboratory, the Economic Business Research program (see [www.eller.arizona.edu/research](http://www.eller.arizona.edu/research) for more information). Our research enterprises are very successful at securing outside funding for their work.

In addition, State-supported Proposition 301 funding provides the Eller College with approximately \$1 million per year for the next 4 years (2002-2006) toward a University-wide internet technology and commerce institute. The College has developed an interdisciplinary team with faculty from MIS, Economics, and Marketing that are actively pursuing research, education, and outreach goals. Thus far, 11 faculty from five academic departments in the Eller

College have received research funding to pursue projects related to internet technology and commerce. The initiative is also funding the recruitment of three new faculty and the installation of a wireless network within McClelland Hall.

Several factors are beginning to threaten our research strength. First, is the loss of key faculty, particularly those associated with our Economic Science Laboratory. Second, we are falling further behind our competition in terms of infrastructure support for research. For example, we lack a College resource for grant preparation. The ability of the College to really leverage the external funding success of our faculty is also hampered by a 70% “tax” on indirect overhead from grants. That is, of the 51% indirect overhead generated on most grants, the University keeps 70% and returns only 30% to the College (which is then split with departments). Finally, as we have attempted to do more with the Daytime, Evening, and Weekend MBA programs, faculty have begun to find that teaching responsibilities and opportunities are taking time away from research.

#### IV.1.4 Education

At the undergraduate level, we have successfully redeveloped the business degree program such that students are admitted based on their GPA and an interview with at least two members of the business community. Once in the major (junior year), students take core classes in cohorts so that courses can be coordinated and integrated and students have a chance to get to know others in their cohort. Clearly, the undergraduate business program is much stronger and more efficient than it was three years ago. Weaknesses with this program include large class sizes (all core classes except business communication are 200 students), an insufficient number of undergraduate advisors (the ratio of advisors to students is 500:1 for upper division students and 1000:1 for lower division students), and few research active faculty teaching in the core.

In contrast to the large undergraduate program, the MBA program is very small with entering Daytime MBA classes of 75 students or less. We also have been successful over the last five years in improving the quality of our students in terms of both GMAT scores and work experience. Another strength of the MBA program is that we have an active faculty committee that has worked very effectively with the MBA program leadership. While the small size of the MBA program should allow for a more individual level of contact between students and faculty, we have not fully capitalized on this opportunity. Additionally, the Daytime Program’s small size and our location in Tucson present problems in attracting recruiters to our College. Further weaknesses of the MBA program include the lack of a permanent Associate Dean/Director, less-than-optimal enrollment in our Evening and Weekend programs, and a limited number of scholarships.

Our Ph.D. program is moderately successful, with considerable variation across departments. Overall, we placed 28% of our doctoral students in peer institutions or better last year. Placements included Columbia University, Indiana University, University of Texas, University of Maryland, Texas A&M, and Washington University in St. Louis. Accounting and MIS consistently place students in peer and better schools. SPAP has only recently developed a Ph.D. program and both of their initial graduates were successfully placed in top programs (Columbia

and Texas A&M). Other departments including marketing, finance, and management and policy have had more difficulty recruiting and placing doctoral students.

#### IV.1.5 Outreach

Successful outreach activities are performed by our Economic Business Research unit through their publications and forecasting programs (see [www.ebr.eller.arizona.edu/](http://www.ebr.eller.arizona.edu/)). The Karl Eller Center/Berger Entrepreneurship Program also has extensive outreach activities (see [www.eller.arizona.edu/programs/berger/](http://www.eller.arizona.edu/programs/berger/)). Student groups have engaged in a number of outreach activities, such as the Students Consulting for Non-Profit Organizations. This group of almost 100 students has developed a consulting organization that performs a variety of marketing, IT, and management projects for local non-profit organizations. In addition, all of our MBA students complete field projects during the course of their studies and the core MBA entrepreneurship course has student groups addressing technology transfer initiatives. Funding to support some of these outreach activities has been provided by annual gifts of \$250,000 to \$285,000 from the Rodel Foundation. The Rodel Social Entrepreneurship Initiative supports student scholarships and course development in areas applying business and entrepreneurial skill to address societal and environmental problems.

We also have strong groups of alumni and business people that support the College. The National Board of Advisors at the College level is comprised of approximately 80 business leaders who meet at the College on a semi-annual basis. A number of departments (e.g., MIS and Finance) and programs (e.g., MBA program) also have separate boards of advisors. Beyond the advisory boards, we have the Eller College Associates, a group of more than 400 alumni and members of the business community who support our undergraduate students through conducting admission interviews, mentoring, and offering internships.

Perhaps our biggest weakness on the outreach dimension has been our inability to develop a successful executive education program. We have recently refocused our efforts exclusively on customized programs rather than open-enrollment offerings, and we hope to start to see some success in the next six months.

#### IV.2 Environmental Analysis

Our environmental analysis includes the University environment, the regional environment, and the competitive environment. Within each of these environments, we identify the major opportunities and threats.

##### IV.2.1 University Environment

Within our University environment, we see a number of opportunities for increased collaboration and contribution. The International Genomics Consortium coming to Arizona offers a number of bio-informatics and technology transfer opportunities. Our leadership in MIS and entrepreneurship provide the foundation to capitalize on these opportunities. More generally, the University of Arizona is taking significant steps toward increasing technology transfer and our Entrepreneurship Program is already involved in these initiatives.

Another opportunity within the University environment is to extend differential fees that we introduced in the MBA program to undergraduate business majors. With in-state tuition less than half that of our peer schools (average top 25 public business school tuition is \$6,300 compared to \$2,500 at UA), we have substantial room to increase tuition. Table 6 provides a summary of revenue that could be generated with a \$2,000 undergraduate differential tuition applied to upper division students beginning in 2003 and phasing it in at a rate of \$500 per year.

**Table 6: Revenue from Undergraduate Differential Tuition**

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Resident (semester)	\$250	\$500	\$750	\$1,000	\$1,000
Non-Res. (semester)	\$500	\$1,000	\$1,500	\$2,000	\$2,000
UD Admits	800	800	800	800	800
UD Total	800	1600	1700	1800	1800
Avg fee/year	\$700	\$1,400	\$2,100	\$2,800	\$2,800
Gross Revenue	\$420,000	\$1,400,000	\$2,450,000	\$3,640,000	\$4,340,000
Scholarship 15%	\$63,000	\$210,000	\$367,500	\$546,000	\$651,000
Provost 5%	\$21,000	\$70,000	\$122,500	\$182,000	\$217,000
Net Revenue	\$336,000	\$1,120,000	\$1,960,000	\$2,912,000	\$3,472,000

We have the opportunity to make a greater contribution to lower division general education teaching through economics, public administration, and MIS course offerings. Given the faculty costs in staffing such courses, this only represents an opportunity if resources were to follow our increased teaching efforts. Finally, a comparison of funding across colleges at the University of Arizona demonstrates that we are significantly under-funded. The Provost has introduced the concept of strategic reallocations to the budgeting process, so an opportunity exists to increase our budget allocations.

The main threat within the University environment is continuing budget cuts. We experienced a 4.6% cut in 2001-2002 and a 7.5% cut in 2002-2003. Many people are projecting that we will face as large or larger cuts in 2003-2004. Given our already severe under-funding, these cuts are making a bad situation significantly worse.

IV.2.2 Regional Environment

Arizona has experienced considerable growth over the past decade. The influx of people and businesses increased the tax base and provided healthy growth in the Arizona economy. Unfortunately, the State did not invest in higher education during this period of prosperity and instead instituted a variety of tax cuts. Consequently, when the economy turned in 2001, Arizona faced significant budget deficits. Given the State budgeting process, higher education appears to be one of the few areas that can be cut to overcome the budget deficit. Thus, unlike other public universities that experienced healthy growth in budgets in the 1990s and are now facing cuts, Arizona’s universities were kept lean during the 1990s and are now facing severe

cuts. Additionally, unlike other states that have increased tuition to partially compensate for lower state allocations, Arizona has consistently kept tuition increases to a minimum. It may be possible to look at this situation and see it as an opportunity, as there is nowhere to go but up. Realistically, the current economic and political climate could lead to a permanent undermining of The University of Arizona’s and the Eller College’s ability to compete on a national level.

The Eller College’s direct competition is ASU’s College of Business. We have tended to maintain a cooperative, rather than competitive, relationship with ASU, to the benefit of both Colleges. For example, fee increases at the MBA level have been jointly lobbied for and consistent across the Colleges, thereby avoiding a competitive price advantage for one College. However, the reality is that the State budget at ASU’s College of Business is more than 75% greater than our State budget (pre-2001-2002 and 2002-2003 budget cuts). ASU’s College of Business has also experienced less severe budget cuts these past two years. Finally, with a far larger metropolitan area, they have bigger and more profitable evening and weekend MBA programs. Table 7 provides a comparison of the Eller College with ASU’s College of Business.

**Table 7: Comparison of Eller College with ASU College of Business**

2001-2002	Eller College	ASU College of Business
State Budget	\$15,483,553	\$27,540,000
Day MBA Revenue	\$1,269,124	\$1,684,000
Evening/Weekend MBA Revenue	\$1,705,231	\$7,522,000
Executive Education	0	\$1,291,000
Total undergraduates	5118	6610
Faculty Size	102	185

*IV.2.3 Competitive Environment*

Perhaps our biggest threats are found in our competitive environment. We are competing against other top 50 public and private business schools for faculty and MBA students. Many private business schools have not faced economic hardship recently and, in fact, have seen increased revenue with heightened MBA enrollments. Competition for faculty is also increasing as a number of business schools have set ambitious growth goals based on student enrollments, while the production of new Ph.D.s has not kept pace. These forces have combined to produce significant upward movement in salaries and resource packages, and reductions in teaching loads. With our strong research reputation and relatively attractive quality of life, we have always been able to compete for quality faculty. However, we are falling behind on many important dimensions. Table 8 provides a summary of our competitive disadvantage in faculty retention and recruiting.

**Table 8: Competitive Comparison of Faculty Support**

	Eller	Peer Schools
Guaranteed summer support	2/9 for 2 summers	2/9 to tenure and beyond
Teaching load	4 courses (12 units)	3 courses (9 units)
Annual research support	\$1,500-\$3,500 (varies by dept)	\$5,000-\$12,000
Average salary	\$99,938	\$122,293

Salary increases	2% State funded average	7-10% average annual
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*IV.3 Situational Analysis Summary*

This situational analysis reveals that the primary strengths of the Eller College are quality and diversity of people and magnitude of research contributions. Research strengths are exhibited in both the informal culture of the College and tangible outcomes such as publications and grant dollars. The primary weaknesses are the small size of the faculty given the student size and number of academic programs and the inadequate and diminishing annual State budgets. Opportunities include engaging more actively in University technology transfer efforts and increasing our revenue base through differential undergraduate tuition. The primary threat is from other business schools around the country with far greater resources that are hiring away our best faculty.

## V. TACTICS FOR ACHIEVING GOALS

### VI.1 Academic Programs

*GOAL: Move our academic programs to the highest level of excellence among public schools by improving input and output quality while heightening the long-run satisfaction of all stakeholders.*

#### *Tactics for All Academic Programs*

1. Further incorporate the three Eller College brand themes (entrepreneurship; information and technology management; and the integration of business, public administration and social responsibility) into core curriculums and elective offerings. Current efforts in this regard include the development of internet commerce classes in departments such as MIS, Marketing, and Economics; development of courses related to social entrepreneurship; and incorporation of technology transfer projects in the MBA core curriculum.
2. Increase integration of technology into courses and provide necessary support for technology in courses.
3. Address staff pay equity and retention by funding a staff retention pool and conducting an analysis of staff pay. Additionally, provide funding for classes for advancing staff skills.
4. Increase efforts to recruit, retain, and develop a diverse student body.

#### *Ph.D. Programs Tactics*

5. See tactics under faculty development goal (#4).
6. Develop additional tactics for improving input and output quality by actively engaging Research and Doctoral Studies Committee and academic departments.
7. Implement a centralized database and reporting mechanism that examines incoming student quality, study progression, and placement for past and present students.

#### *Daytime MBA Program Tactics*

8. Increase student satisfaction as reported by current students and alumni by capitalizing on the opportunity to individualize attention given our small program size.
9. Increase program size to entering class of 120 students per year, while maintaining or increasing student quality through active recruitment efforts.
10. Curriculum committee to work with new director to establish program objectives and streamline core curriculum.

11. Benchmark program against leading public schools in terms of input and output quality and curriculum.
12. Communicate and market innovation and excellence of MBA program to local, national, and international communities.
13. Obtain funding for a professional programs building that would house MBA and Executive Programs.
14. Through support of MBA Advisory Council, alumni and friends, and the Graduate College, establish a scholarship pool that covers all tuition expenses for at least 60 of the most promising admitted applicants.
15. Implement student outcome assessment in MBA program.

*Other MBA Programs Tactics*

16. Market programs and actively recruit to grow student sizes to target of 50 students per entering cohort.
17. Curriculum committee to work with new director to establish program objectives and additional tactics.
18. Assess past and present students for incoming quality, learning outcomes, and career progression.
19. Annually audit programs to ensure ongoing financial viability and contributions to College mission.

*Other Masters Programs Tactics*

20. Centralization those administrative functions of programs that can be more effectively and efficiently managed at College level.
21. Audit all other masters programs to determine financial viability and contributions to College mission.
22. Develop targets for optimal enrollment for each program and then market and recruit to those targets.
23. Develop new masters programs where a demand is identified and the ability to run a program matches department staffing and resources.

*Undergraduate Programs Tactics*

24. Continue to evaluate and improve core curriculum and learning environment. Create an environment in which excellence in teaching is fostered and recognized.
25. Innovate undergraduate offerings with certificates and 3+1 BSBA/MS programs.
26. Offer global business study opportunities.
27. Develop honors program.
28. Implement student outcome assessment.
29. Develop undergraduate career services office to increase successful placement of undergraduate students.
30. Work with Undergraduate Studies Committee to develop additional tactics.

### VI.2 Technology Transfer

*GOAL: Becoming the leading public school in the promotion of home-state benefits from the ideas generated on campus, especially by enhancing technology transfer.*

#### *Program Tactics*

1. Create a Center for New Venture Development within the Eller College that will provide an administrative framework for fostering business plan development and commercialization of technologies developed at the University of Arizona, with particular focus on biotech.
2. Participate in other appropriate University organizations/committees/groups regarding the transfer of technology and business planning course development.
3. In cooperation with the College of Engineering and the Office of Technology Transfer (OTT), implement the Southern Arizona Innovation Project (SAIP), which creates a linear model for technology transfer at the University. Efforts to include:
  - Project support teams.
  - University of Arizona Technology Transfer Fellows (business community/cluster members working collaboratively with University faculty and staff).
  - Technology Mapping Group.
  - Community-wide education regarding the benefits and responsibilities of technology transfer.
  - Public forums to showcase SAIP technologies.

#### *Education Tactics*

4. Work with the economic development clusters, University technology-oriented colleges, Tucson Technology Incubator, and genomics community to develop courses and programs in business planning for technologists.
5. Develop ties with OTT for patent applications for business plan development within the Entrepreneurship Program.
6. Add OTT licensing opportunities to pool of potential market evaluation projects for MBA students enrolled in required ENTR 500 core course.
7. Provide internships for undergraduate and graduate students to work with University faculty to develop and commercialize technologies.

#### *Research Tactics*

8. Fund small grants to foster faculty research on the process of innovation and technology transfer from the University.
9. Involve the Economic and Business Research staff in evaluating the spin-off potential of genomics and related initiatives.

#### *VI.3 Increase Recognition*

*GOAL: Raise our recognition in business and research communities so that it is consistent with a top 5 public school.*

#### *Tactics for Increasing our Research Recognition*

1. Develop a seed grant program for collaborative research in areas related to entrepreneurship and the integration of business, public administration and social responsibility. A similar seed grant program for internet technology and commerce through Proposition 301 funding proved very successful by building bridges between our College's various academic units.
2. Develop and host annual or biannual research conferences on information and technology management and topics related to the integration of business, public administration and social responsibility.
3. Encourage and support departments in the development of programs related to the integration of business, public administration and social responsibility.
4. Engage College publications and marketing staff in actively sharing research results with the media. Strengthen the communication between faculty and publications/marketing staff.

5. Increase quality of research output through tactics identified under the faculty recruiting and retention goal.

*Tactics for Increasing our Teaching, Outreach, and General Recognition*

6. Strengthen links with the broader community through activities such as department/unit advisory boards, field projects, student internships, faculty/staff consultation, and student placements.
7. More aggressively articulate the College's successes with key constituents as well as the general public (President and Provost, the rest of the University community, public policymakers, media in the State and around the country). Enhance the budget for our marketing activities, hire a marketing director, and specify some concrete associated output objectives in terms of successfully promoting the accomplishments of our programs, faculty, students, alumni, and friends.
8. As part of annual reviews, incorporate measures of the extent to which our faculty and staff contribute, beyond research, to our public visibility.
9. Create an outreach committee headed by the marketing director that meets on a regular basis to coordinate the College's marketing efforts. The committee will be composed of representatives from units such as EBR, Advancement, and the Institute for State and Local Government.
10. Obtain funding for a professional program building that would house MBA and executive education programs, as well as other outreach centers and units.
11. Obtain funding to establish a center related to the integration of business, public administration and social responsibility that would parallel the efforts of the Karl Eller Center, the Center for the Management of Information, the Ecommerce Laboratory, and the Proposition 301 Internet Technology and Commerce Institute to build our College's overall reputation through focused areas of excellence.

*VI.4 Faculty Recruiting and Retention: "Strengthening Eller Faculty"*

*GOAL: Strengthen our intellectual base through increased faculty retention and adding 20 distinguished faculty who will advance our College vision and mission.*

*Faculty Composition Tactics*

1. Hire 20 distinguished faculty over the next five years, beyond hiring to replace faculty lost through retirement and turnover. Given the University funding situation in 2002-2003, recruiting for these additional faculty will begin in 2003-2004 and will progress at a rate of five new faculty per year for four years. The approximate cost of these hires (base salary only) will be \$2.6 million.

2. With new hires and replacement hires, efforts will be made to achieve a balance of faculty across departments that takes into account lower division, upper division and graduate teaching responsibilities; numbers of majors; size of department run masters programs; and faculty research productivity. Faculty will be distributed across the seven academic departments with the following numbers and rationale:
  - Accounting: Faculty size of 16-17 with 12-13 tenure-track and 4 teaching faculty. Accounting is slightly larger than average given 150 credit hour demands of the profession.
  - Economics: Faculty size of 23-24 with 19-20 tenure-track and 4 teaching faculty. Economics is one of the largest departments in the Eller College (but smaller than average for public research universities) given the teaching contributions that service the rest of the university.
  - Finance: Faculty size of 14 with 11 tenure-track and 3 teaching faculty. Finance is one of the College's and University's largest majors and one of the MBA Program's most popular concentrations. The Department also has a small masters program in finance. Teaching of service classes for the College and University are low. This average size will facilitate teaching, research, and doctoral student development goals.
  - Management and Policy: Faculty size of 15-16 with 12-13 tenure-track faculty and 3 teaching faculty. Management and policy is the fourth largest major in the College at the undergraduate level and growing. Additionally, teaching in the undergraduate core is extensive.
  - Management Information Systems: Faculty size of 22-23 with 17-18 tenure-track and 5 teaching faculty. MIS is one of the largest departments in the Eller College because of its strong research productivity and its national reputation. It also has a large MS MIS program, one of the most popular undergraduate majors, and significant lower division teaching service to the rest of the University.
  - Marketing: Faculty size of 14 with 11 tenure-track and 3 teaching faculty. Marketing is one of the College's and University's largest majors and a popular MBA concentration. The Department also contributes to the business minor and has a strong research reputation.
  - School of Public Administration and Policy: Faculty size of 10 with 8 tenure-track and 2 teaching faculty. The public administration program is small at undergraduate, masters, and doctorate levels, but both graduate programs carry distinction. SPAP can also become a greater contributor to Tier 1 teaching for the University.
  
3. Proactively address faculty diversity by establishing a "Eller Millennium Task Force" to develop a plan for increasing diversity. It is our belief that a diverse faculty helps attract and educate a diverse student body.
  
4. Develop a "Distinguished Scholars in Residence Program" that would pay internationally recognized scholars a \$5,000 honorarium plus expenses for a 4-5 day stay at the Eller College. Visitors would agree to give a talk that should have appeal to the entire College and would spend time with junior faculty members and doctoral students in the host department. Total cost should be less than \$50,000 per year.

*Faculty Support and Development Tactics*

5. Increase faculty salaries to the 75<sup>th</sup> percentile of peer public business schools. Based on 2002-2003 salary levels this will take approximately \$3.8 million dollars.
6. Increase summer support, such that 2/9<sup>th</sup> summer support is available for all research active assistant and associate professors and 1/9<sup>th</sup> summer support is available for research active full professors. Assuming hiring goals and salary increase plans are successful, the needed annual summer support funding pool will be approximately \$1.7 million for assistant and associate professors and \$275,000 for full professors.
7. Increase faculty support through endowed chair positions. Develop 14 endowed chairs for attracting or retaining leading faculty who will increase the stature of each of our 7 departments. Increase the endowments and payouts for all titled positions such that faculty fellows pay \$15,000, named professorships pay \$25,000, and endowed chairs pay \$50,000. These changes will require endowments of at least \$350,000 per faculty fellowship, \$600,000 per named professorship, and \$1.5 million per endowed chair.
8. Reduce teaching load for research active faculty to 3 courses per year. This change will be achievable by increasing the faculty size and maintaining the Undergraduate Program size.
9. Increase annual research/travel/development support for faculty such that research active faculty receive at least \$5,000 per year and teaching-oriented faculty receive at least \$1,500 per year. Based on the hiring goals, this will cost approximately \$500,000 per year.
10. Implement a one semester “mini-sabbatical” for assistant professors in their third or fourth year. The costs for this program should be minimal, since with a three-course teaching load this would simply require off-loading one course.
11. Implement a one semester “Education Innovation Sabbatical” for senior lecturers who have at least six years service to the Eller College. Senior lecturers would be eligible for sabbatical every seven years.

*Strengthen Ph.D. Program Tactics*

12. Increase graduate assistantships to the 75<sup>th</sup> percentile of peer public institutions. Each department will benchmark levels and duration of guaranteed assistantships to provide data for this adjustment in assistantships. Additionally, increase committed doctoral student support to 5 years. Currently, we spend approximately \$900,000 on Ph.D. assistantships as a College. The resources needed for assistantship increases will be determined through benchmarking studies.

13. Each department will develop a strategic plan for increasing the quality of their Ph.D. programs. These plans may address, but are not limited to the following: improving recruiting of new students, restructuring course offerings, increasing collaboration with other departments, restructuring mentoring processes, and aiming for best practices in placing students.
14. Limit Ph.D. program to 125 students to ensure that adequate support and mentoring can be provided to each student. Doctoral students should be distributed across departments based on both number of faculty in each department and quality of doctoral student placements (more students for departments with stronger placements).
15. Aim to become known as one of the leading suppliers of doctoral students (especially diverse students) to top 50 management schools. Given that most of our peers are cutting back their doctoral program funding and production, running counter to the herd will serve to build our College's long run academic reputation.
16. Devote additional attention and resources to recruiting minority doctoral students through new and established approaches, including the Ph.D. project.

*VI.5. Improve Resource Base*

*GOAL: Dramatically improve our resource base so that our annual operating budget increases by \$10 million.*

*Resource Improvement Tactics*

1. Through discussions with the Provost and President, increase annual State funding for the College by \$5 million over the next five years (from \$15.5 million to \$20.5 million). The potential sources of the funding include: differential tuition for undergraduate business students; higher general tuition for University undergraduate students (especially nonresidents); charging more for additional courses taken beyond a base load; and University reallocations.
2. Through enrollment growth and gradual tuition increases, increase annual professional masters fee revenue from \$2.5 million to \$5 million.
3. Increase annual executive education gross revenues from \$0 to \$2 million. Increase annual executive education net revenues from \$0 to \$300,000.
4. Increase annual research grant expenditures from \$6.4 to \$10 million. Increase indirect cost recovery by at least \$400,000 per year.
5. Increase the College endowment by \$50 million providing an increment of \$2.25 million to our annual operating budget. This increase will be accomplished partly by growing the number of endowed chairs (\$1.5 million minimum) from 1 to 14 and by growing

endowment funding for professorships and junior faculty fellowships from \$11.6 million to \$20 million as much as possible through efforts to increase the minimum endowment behind professorships (from \$300,000 to \$600,000) and junior faculty fellowships (from \$200,000 to \$350,000).

6. Through formalizing expectations (financial as well as non-financial) of the College's National Board of Advisors, increase annual Business Partners Support from \$300,000 to \$600,000.
7. Increase Annual Fund alumni giving from \$160,000 to \$360,000 through increasing annual alumni participation in giving from 10 to over 20 percent.
8. Secure long-term funding for our growing information technology needs. As a College with a reputation in information and technology management, we must ensure we have the resources to remain on the cutting edge of technological advancements.

**VI. METRICS FOR ASSESSING GOALS**

1. *Move our academic programs to the highest level of excellence among public schools by improving input and output quality while heightening the long-run satisfaction of all stakeholders.*

Doctoral Program

1.1 Entering doctoral student GMAT percentiles:

1999/2000	
2000/2001	
2001/2002	
2002/2003	

1.2 Doctoral student placement in peer or better institutions:

1999/2000	
2000/2001	
2001/2002	28%
2002/2003	

1.3 Number of research publications per graduating doctoral student:

1999/2000	
2000/2001	
2001/2002	
2002/2003	

Day MBA and MPA Programs

1.4 Program ranking:

MBA	<i>US News</i>	<i>Business Week</i>
2000	31	51-70
2001	30	NA
2002	34	
2003		

MPA	<i>US News</i>
2000	31
2001	31
2002	
2003	

1.5 Student placement:

MBA	% Employed (3 months)	Starting Salary
2001/2002		
2002/2003		
2003/2004		
2004/2005		

MPA	% Employed (3 months)	Starting Salary
2001/2002		
2002/2003		
2003/2004		
2004/2005		

1.6 Capacity utilization (% of enrolled students relative to program size goal):

	MBA	MPA
2001/2002	58%	
2002/2003	57%	
2003/2004		
2004/2005		

Evening and Weekend MBA Programs

1.7 Net Revenue:

	WeMBA	EvMBA	EcMBA
2001/2002	38%	40%	
2002/2003	48%	60%	
2003/2004			
2004/2005			

1.8 Capacity utilization (% of enrolled students relative to program size goal):

	WeMBA	EvMBA	EcMBA
2001/2002			
2002/2003			
2003/2004			
2004/2005			

Other Masters Programs

1.9 Net Revenue:

	MMF	MS MIS	MAcct
2001/2002			
2002/2003			
2003/2004			
2004/2005			

1.10 Student placement:

	% Employed (3 months)		
	MMF	MS MIS	MAcct
2001/2002			
2002/2003			
2003/2004			
2004/2005			

Undergraduate Programs

1.11 *US News* Rankings:

2000	21
2001	23
2002	22
2003	

1.12 Exit survey of student satisfaction

2002	
2003	
2004	
2005	

1.13 Alumni satisfaction

2002	NA
2003	
2004	
2005	

2. *Become the leading public school in the promotion of home-state benefits from the ideas generated on campus, especially by enhancing technology transfer.*

2.1 Number of classes or programs tailored to needs of regional technology initiatives (e.g., genomics) and participation levels.

Year	Tech specific classes and programs	Attendance from industry	University student attendance
2001			
2002			
2003			
2004			

2.2 Number of individual technology transfer efforts supported

Year	Inquiries from campus sources	Formal student and/or faculty consulting projects	Business plans facilitated
2001			
2002			
2003			
2004			

2.3 Technology transfer success

Year	Technology transfer license agreements completed	New ventures launched	University income from technology transfer sources
2001			
2002			
2003			
2004			

3. *Raise our recognition in business and research communities so that it is consistent with a top 5 public school.*

3.1 Research recognition: See metrics for research strength (4.2)

3.2 Recognition in press:

Year	Number of Citations		
	Major State Newspaper	Other State Publications	National and International Papers
2002			
2003			
2004			
2005			

3.3 Key State Stakeholder survey regarding College outreach performance:

2003	
2004	
2005	
2006	

4. *Strengthen our intellectual base through increased faculty retention and adding 20 distinguished faculty who will advance our College vision and mission.*

4.1 Faculty turnover:

1999/2000	7.8%
2000/2001	12.7%
2001/2002	9.8%
2002/2003	

4.2 Research strength

a. Research dollars

1999/2000	\$4.54 million
2000/2001	\$6.46 million
2001/2002	\$6.83 million
2002/2003	

b. Journal editors and editorial board members:

	Editor/Associate	Editorial Board
1999/2000	23	42
2000/2001	16	46
2001/2002	22	57
2002/2003		

c. Publications:

	Books	Book Chapters	Refereed Journal Publications
1999/2000	16	23	113
2000/2001	12	32	132
2001/2002	14	51	131
2002/2003			

5. *Improve our resource base so that our annual operating budget increases by \$10 million.*

5.1 State budget:

2000/2001	\$14.3 million
2001/2002	\$13.7 million
2002/2003	\$13.5 million
2003/2004	

5.2. Net professional fees (before instructor expenses):

	Day Masters Programs	Evening/Weekend MBA Programs
2001/2002	\$1.27 million	\$1.71 million
2002/2003		
2003/2004		
2004/2005		

5.3. Net undergraduate differential fees:

2002/2003	0
2003/2004	
2004/2005	
2005/2006	

5.4. Executive education revenue:

	Gross Revenue	Net Revenue
2001/2002	0	0
2002/2003		
2003/2004		
2004/2005		

5.5. College endowment:

2001/2002	\$37.5 million
2002/2003	
2003/2004	
2004/2005	

5.6. Annual giving:

	Business Partners	Annual Fund
2001/2002		
2002/2003		
2003/2004		
2004/2005		

**VII. SUMMARY OF STRATEGIC PLANNING PROCESS**

We initiated a five-year strategic planning process in the spring of 2002. A committee was developed with individuals who represented the various constituents of our College and who had the ability to think broadly, beyond their individual units. Table 6 presents the members of the Strategic Planning Committee.

**Table 6: Strategic Planning Committee**

Susan Butler	Member, National Board of Advisors
Sharon Garrison	Senior Lecturer Finance
Stephen Gilliland	Vice Dean
Bill Hall	President, MBA Students Association
Merrilee Holmes	Director of Facilities
Lance Hoopes	Computing Manager, BITS
Gary Libecap	Director, Karl Eller Center and Anheuser Busch Professor of Economics
Jim Moore	Director of Advancement
Lisa Ordonez	Associate Professor MAP
Pam Perry	Associate Dean, Undergraduate Program
Mike Polakowski	Associate Professor SPAP, chair of CAC
Sudha Ram	Eller Professor of MIS, member CAC
Jeff Schatzberg	Associate Professor Accounting, chair of GPSC
Judith Stanfield	Administrative Associate MAP
Mark Walker	Head and Eller Professor of Economics
Mark Zupan	Dean

The committee met for a day-long strategic planning session in which we addressed the College vision and mission and conducted a SWOT analysis. We identified five themes that form the foundation for our strategic plan. We then divided into four subcommittees, each of which took one of four themes (the fifth theme, resources, was addressed by each subcommittee). The subcommittees developed goals, tactics, and metrics for each of their themes. The entire committee met on several occasions over the summer months to discuss ideas from each subcommittee. Preliminary plan ideas were also shared with department heads, College administrators, University administrators, and a subset of members of the National Board of Advisors. A draft strategic plan was assembled by integrating the work of the subcommittees.

Subsequent steps in the strategic planning process will be to circulate the plan to other relevant stakeholders for feedback, including the following: The College Advisory Committee (CAC), Staff Advisory Committee, heads group (department heads), administrative group, faculty and staff throughout our College, National Board of Advisors, University administrators, student leaders, department advisory committees, alumni groups, and relevant community organizations. We will collect feedback throughout the fall and hope to have a final version of the strategic plan by the end of November.

In developing a vision and mission for the Eller College, we started with the vision and mission for the University of Arizona:

**Vision:** To be a preeminent student-centered research university.

**Mission:** To discover, educate, serve, and inspire

The Eller College builds on this mission and vision in ways that complement and extend the University charge. We want the Eller College to be viewed as a program of excellence within a pre-eminent public University. We already have this recognition with our MIS department and entrepreneurship program, and aspire to develop it as a College. In our vision, we start with our aspiration and then identify our unique strengths that will enable us to achieve that aspiration:

We will become one of top 5 public schools of business and public administration. We will attain this threshold of excellence through building on our proud history of identifying emerging areas of importance and developing them into points of excellence. As we have been first-movers and are leaders in entrepreneurship and information and technology management, we will lead through the integration of business, public administration and social responsibility.

The mission for the Eller College follows directed from the four foci of the University mission, but is put into practice in ways that are unique to our College.

The Eller College's vision will be manifest through an integrative approach permeating our core endeavors. These endeavors are to:

- **DISCOVER:** conduct research that advances the understanding of organizations and markets while improving business practice and government policies.
- **EDUCATE:** teach foundational and functional knowledge while striving to instill integrity, creativity, entrepreneurial spirit, leadership, interpersonal skills, and social responsibility.
- **SERVE:** undertake activities that improve the society within which we operate.
- **INSPIRE:** accord primacy to our people, their ideas, and their integrity.

Finally, with any vision and mission it is important to identify specific goals that will lead to the attainment of the vision. We have identified five ambitious, goals for the next five years:

- Move our academic programs to the highest level of excellence among public schools by improving input and output quality while heightening the long-run satisfaction of all stakeholders.
- Become the leading public school in the promotion of home-state benefits from the ideas generated on campus, especially by enhancing technology transfer.
- Raise our recognition in business and research communities so that it is consistent with a top 5 public school.
- Strengthen our intellectual base through increased retention and adding 20 distinguished faculty who will advance our College vision and mission.
- Dramatically improve our resource base so that our annual operating budget grows by \$10 million.