

MINUTES, BOARD OF VISITORS, SCHOOL OF BUSINESS, UNIVERSITY OF SOUTHERN INDIANA, NOVEMBER 13, 1990

PRESENT: Roxy Baas, Nancy Bizal - Coordinator of External Relations, John Bolger, Calvin Dentino, Emmet Edwards, Jr. - Acting Dean, Carolyn Georgette, David Gunn, Robert Leich, Jr. - Chairman, Richard Strenkowski - Vice Chairman, Robert Swan, Michael Weber.

ABSENT: Robert Griffin, Mark Hubbard, Ray Keller, John Kopacz, John Lippert, Paul Nolan, Phillip Schoffstall, Charles Schulties, Thomas Smythe, and William Vieth.

ALSO IN ATTENDANCE: Steven Cox - Chair, Economics and Finance Department, William Henderson - Assistant Dean, Peggy Hildebrand - Acting Chair, Management and Marketing Department, Kwangok Kim - Director of Resource Management, Dan Wade - Chair, Accounting and Business Law Department and Marwan Wafa - Acting Chair, Administrative and Decision Sciences and Business Education Department.

Robert Leich, Jr., Chairman, called the meeting to order at 8:15 a.m. in Room OC 3052. Leich welcomed everyone.

Minutes from the Board of Visitors meeting held April 30, 1990 were approved.

Emmet Edwards, Acting Dean of the School of Business, welcomed all members back to campus and thanked them for being there. His State of the School comments are attached.

A discussion of how to measure pursuit of excellence followed. It is a difficult and invasive process. Some of the points discussed were decentralization and empowerment of people and how industry measures and encourages excellence. Emmet Edwards said he would follow up to help answer questions on how to measure performance and excellence. Dan Wade stated accreditation is the reward for excellence and part of the means.

AACSB accreditation vs. ACBSP accreditation was discussed. The Board of Visitors has a strong opinion that the U.S.I. School of Business should strive for AACSB accreditation. Although attaining AACSB accreditation will be difficult, we must strive to do so. We must look for applicants to fill positions within the school who know AACSB. Emmet Edwards pointed out that AACSB has had a change in standards (probably due to ACBSP). Realistically, it will take years to achieve accreditation, even if we had the dollars it takes. We need to recruit a dean who understands the management process. Rich Strenkowski stated that we also need the support of the rest of the University. Calvin Dentino asked who asks for

money from the state? We need to lobby to get the monies we need. Can we not request special funding for accreditation? That way we would not be taking away from other parts of the university but would get additional funding in addition to the supplemental funding. Peggy Hildebrand stated that in the last several years the School of Business has made great leaps, becoming the cream of the University. Emmet Edwards commented that our interaction with other schools is better but they resent our higher salaries. Leich commented that it has always been true that some people command higher wages than others. Marwan Wafa gave the example of a bushel of corn selling for \$10--how can we get it for \$2? Mike Weber said it was his understanding that 25% of students are School of Business students. Those undeclared will mostly become School of Business students later on. He felt the tail is wagging the dog and that we do not have the ear of the University. Dan Wade said the School of Business must be a leader in excellence and work toward accreditation within our structure and eventually it will happen even though it will take time. Mike Weber said it was like trying to build a house without any money. The Board supports accreditation, but is it realistic? Perhaps we can encourage research and ask for resources and continue our excellent teaching until eventually we achieve accreditation. Rich Strenkowski was concerned with how much latitude the University will allow the School of Business. He felt Dr. Reid and others know what it will take to achieve accreditation but are faced with dealing with the needs of other schools today. Dan Wade stated that attitude changes can be exerted by the Board of Visitors on University officials. Mike Weber said we in the School of Business must have a lot of patience and he admires us. Dr. Wade said the evaluations from the AACSB people will be looked at because it is on paper. John Bolger asked about the vision from the top. Who are the point guards? Those who request State money are President Rice and Vice President Wright.

The State of the Board by Bob Leich followed. Leich commented on our fine building and our optimistic attitude. He advised that Bob Griffin and Rich Strenkowski talked with Byron Wright and made it clear that we don't want to be associated with ACBSP, instead they understand that we want AACSB. We need to come up with a strategic plan that will address where we are and where we are going. This was Glenn's baby and he was pushing it forward. We need the right selection of a Dean with Emmet carrying the ball until then.

These resignations have been submitted: Davis, Derry, and Minarik. According to the By Laws we need a membership of 25-50 on the Board of Visitors. We are understaffed at 20. We need to recruit about 8 more. The nominating committee has asked that we submit names to them for consideration. The membership committee has developed a lottery system to stagger appointments.

There was no report from the finance committee.

Roxy Bass gave an academic affairs committee report. Pertaining to accreditation, we are currently moving to a requirement for 50% of all courses taken by business majors to be from outside business. Committee also discussed how MBA has further stretched the business school.

Rich Strenkowski described the application process for the new Dean Search Committee. There are seven on the search committee - N. Coudret - Dean of the School of Nursing and Health Professions, P. Hildebrand - Acting Chair of the Management and Marketing Department, E. Nolan - Assistant Professor of Business, O. Ozete - Chairperson of Foreign Language Department, M. Quddus - Assistant Professor of Economics, R. Strenkowski - Vice Chairman of the School of Business Board of Visitors, and D. Wade - Chair of the Accounting and Business Law Department. We have advertised in trade publications and have conducted a telephone survey to universities. Forty-five to fifty applications/nominations have been received (one woman, no minorities). The deadline for applications is November 15. Resumes are screened with the following in mind: teaching excellence, AACSB familiarity, business relations, and management style and experience. Six to ten applicants have a high degree of support by all. The next step is to ask for references and more information and then try to get down to five or six top applicants. Hopefully all the work will be done by the first of the year. On campus interviews should begin in February. We probably won't advertise again. Some cuts will probably be made on salary expectations. (Mike Weber suggested we should consider some type of psychological assessment such as testing done at Bristol Myers).

Coffee Break from 10:00 to 10:15 p.m.

The Academic Affairs, Membership, and Finance Committees met in individual sessions. The Board reconvened at 11:30 a.m. and heard the committee reports. Carolyn Georgette Chairperson of the Membership Committee reported. The committee compiled a list of 15 possible candidates for the Board of Visitors and asked approval from the Board of Visitors to recruit them. Rich Strenkowski moved we accept the entire listing, seconded by Mike Weber, carried. The candidates are:

- Bud Melton - First Indiana Bank
- Tom Magan - Kahn Dees Donovan & Kahn
- Allen Brill - Brill Communication
- Jim Muelenbauer - George Koch Sons, Inc.
- Bill Koch - Holiday World
- John Thyen or John Habig - Kimball International
- Bill Fisher - Applied Communication
- Bill Dunn - Citizen Information System
- David Russell - Shoe Biz
- J.C. Anderson - Whirlpool
- Phil Lawrence - ATSCO

A representative from General Electric
 A representative from Bristol Myers Squibb
 Jim McKinney - Regency
 Mark Kerney - SIGECO
 Tom Kramer - Deaconess Hospital
 John Kittle - Kittle Furniture

A lottery system was set up to stagger the board members terms of office. The terms for present board members are as follows:

3 Years

Roxy Baas
 John Bolger
 Robert Griffin
 David Gunn
 Mark Hubbard
 Richard Strenkowski
 William Vieth

2 Years

Calvin Dentino
 Ray Keller
 John Lippert
 Paul Nolan
 Thomas Smythe

1 Year

Carolyn Georgette
 John Kopacz
 Robert Leich, Jr.
 Phil Schoffstall
 Charles Schulties
 Robert Swan
 Mike Weber

Roxy Baas, Chairperson of the Academic Affairs Committee, reported. The first topic of discussion was curriculum. According to the new proposed standards for AACSB the minimum percentage of undergraduate courses to be taken outside the business school is 50% compared to the 40% minimum in the current standards. This prompted a discussion of what skills School of Business graduates should possess and what are lacking: interpersonal skills, writing skills, and research skills. The second subject discussed was the mission statement. The School is currently understaffed to fulfill the mission. We have a shortfall of 8 positions. We are presently covering this shortfall with adjunct teachers and overload teaching. Our primary mission is teaching which can be visualized as at the top of the pyramid with research & scholarship and service as secondary to teaching appearing at base of pyramid. David Gunn commented that if we have no funding it will be very difficult to get enough teachers. Another point made was that to be a good teacher, you must do research to stay in touch. The committee briefly touched on accreditation and the MBA program but ran out of time.

Calvin Dentino gave the Finance Committee Report. How do we get money to allow our teachers to attend seminars? How are the students going to benefit? For each department \$2-3,000 is allocated for seminars. Much more is needed. We have an alumni pool of 2400 people. Perhaps we need a fund-raising event. Alumni 1-25 years out of school can relate to the monetary needs of the school. We need to fund the accreditation process. AACSB accreditation is a marketable issue. President Rice and Vice President Wright seem to be able to get brick and mortar for new buildings. Maybe they can get a jump-start for accreditation. We know there is an \$8-900,000,000 excess in the State. Perhaps we need to develop a master plan for lobbying. Companies such as

Alcoa, Credit Thrift and Bristol Myers have great success at lobbying. Could we possibly cooperate with these companies and lobby as a team? Funding may not come for 2-3- years but we could get started. What about an alumni survey to determine salary range and how inclined they are to give? Perhaps this could be a class project. Let's set a goal that each board member accept the responsibility of raising \$3,000.

Bob Leich passed out silver anniversary mugs. He announced that the Spring Meeting of the Board of Visitors will be April 29, 1991. Rich Strenkowski will chair that meeting and Leich will be past-chair. Leich stated it had been exciting working with Glenn Pitman and now Emmet Edwards and he looks forward to future involvement with the Board.

Rich Strenkowski said we are in an era of transition. Hopefully by April we will have a decision on a new Dean. All of the committees are excited and trying to find where they fit and what they can do to help.

Bob Leich introduced Vice President for Business Affairs Byron Wright who made the following remarks. Wright said he hoped everyone would have questions. The University has the same problems as anyone does in business. Since we take government money, we must report on everything from athletics to crime on campus, etc. He explained the sources of funding:

State Funds	-	55.1%	
Students	-	30.0%	
Federal	-	.5%	
Other	-	4.6%	(Interest)
Aux. Enterprises	-	9.4%	(Telephone, Book Store, and Food Services)

Budget this year is \$26.4 million. How do we get this? It is attained through a two-year biennial request. Before this happens, the schools and departments take their needs to their individual Vice Presidents. The Vice Presidents take the requests to the President. The consolidated budget request goes to the Commission for Higher Education, through the budget agency and the budget committee, etc. until it finally reaches the governor. This was the budget request process...next we make up the real budget. Our funding is on a prior budget base concept- low base and a percentage of base equals very little. Some of the reasons the State considers for increasing the base budget are: enrollment, plant expansion, new programs (\$70,000 was allocated this year for MBA), inflation (usually about 5.5% but health care jumped 22.5% last year). We get whatever they determine appropriate.

In new programs and program improvements, we basically ask for 3% each year. Then we have discretionary authority on where program improvement funds will be spent.

Cal Dentino asked if we do any pre-lobbying to get money for building projects. Vice President Wright replied that we have a ten-year plan and that we get local legislative support for buildings.

Roxy Baas asked how interplay between the universities in Indiana works? For instance, how do we get money if our enrollment

increases and other school enrollment decreases? His answer was "it doesn't really matter as they always seem to find more money. The pie isn't cut because a new university is begun. With increased enrollment you can usually get increased funds."

Steve Cox asked Vice President Wright if there was any money in the budget request for accreditation for the School of Business, or for that matter, any other school. The answer was no; this is not a popular request. Instead we ask for money for attraction and retention. This amounts to 2% of the payroll, maybe \$300,000.

Rich Strenkowski asked if the allocation into the schools is based on a credit hour basis. The answer was no and the example of the School of Nursing was given as an example. The School of Nursing is expensive to operate but it is not profitable. The nursing program is well-funded because it was asked for in advance.

The University has received funding for 28 positions. This takes up a little more than one half of the money. We have new programs we want to start and this will have to come out of what is left.

The meeting was adjourned at 12:45 p.m. to lunch in UC 309A.