Panelists:

- Sandy Archibald, Dean and Professor, Evan’s School of Public Policy
- Vicky Anderson-Ellis, Assistant Dean and Administrator, Social Work
- Zoe Barsness, Professor, UW Tacoma Milgard Business School, and Chair, Senate Committee on Planning & Budgeting
- Dave Maddox, Consultant for UW Activity Based Budgeting and other universities, and former COO, GIX

Panelists: Experience with ABB

Sandy re: UW Seattle Evans School

- Provides incentives to create/identify revenue streams
- Opportunity to cross-subsidize
- Understanding that there are no new resources, units/schools must manage what they have
- Focus on your unit/school strategy – 5-year plan at Evans School – more data, analysis, and constant improvement
- Encourages shared governance – involving faculty and staff
- Leadership must be willing and able to bring faculty into decision making and strategy early on

Zoe re: ABB committee experience

- UW Tacoma has not adopted ABB or RCM
- Involved with ABB as member of Faculty Senate in Seattle
- Historically, UW faculty chase after what’s new because of the way new seed money flows from the state; ABB forces schools to consider what happens to a program after initial launch, i.e. where revenue will come from to sustain it
- Advantages:
  - Focuses on strategy and mission
  - Schools/units are accountable for investments made in past and how to sustain programs and/or start new ones
  - Evaluate current state
  - Efficiency to free up funds for other programs
- Requires a level of engagement from faculty they may not be used to
- Faculty decisions regarding curriculum planning drive 90% of university costs (due to salaries)
- Need to be strategic so learning objectives are served by variety of modalities that can deliver desired student experience
Vicki re: experience at School of Social Work

- Involved in ABB rollout at Seattle since beginning
- Sees benefits as an administrator
- System of transparency, can track credit hours/funding
- Education process: invested time in bringing Budget 101 to all, helps to create informed decisions
- Helps with enrollment management
- Need to apply business skills to the work administrators are doing
- Negatives:
  - Provost controls supplements
  - Limit to how much growth/revenue that can be achieved; think about the whole (gifts, research opportunities)
  - Finance Transformation may change things, but currently relying on spreadsheet management
  - Departments and units become more siloed – compete for credit hours
- Decisions have consequences but ABB model provides a way to be accountable and responsible

Dave re: experience with RCM nationally

- Studied adoption of RCM at University of Pennsylvania, University of Michigan and elsewhere
- Propelled by public pushback against lack of funding transparency
- Institutions faced resource constraint and complexity
- Results – profound cultural change, responsibility, unleashed creativity
- Emphasis on cost tracking leads to improved transparency
- More institutions are transitioning to this model
- Shifts conversation to how to rationalize allocation of resources
- Formula-based, therefore predictable
- Challenge – not an immediate, big transformation but incremental change
- Doesn’t create new money
- Incentives exist to create new programs

Question 1: Can you give a specific example of an advantage to your unit?

Sandy

- Allowed us to grow to scale, which wouldn’t have been possible under the former incremental budget model (would have needed to convince administration)
- Has seen a big improvement in Evans School’s brand and ranking

Zoe

- Strength – control, greater transparency in interests, and facilitates dialogue
- Not every cost or program will be self-supporting – need clarity on priorities at unit/school level

Vicki

- Predictability
• Can scale up or down based on demand
• Forces unit/school to make informed choices
• Able to fund other initiatives and innovations that wouldn’t have been otherwise funded by Provost

**Question 2: What specific measures were put in place to get faculty/staff more involved in decision making process?**

**Vicki**

• Tri-governance structure with faculty, students, staff participating equally
• Invested time in education, including Budget 101 as onboarding piece
• Drilled down to level of what are our mission and priorities
• 5-year strategic plan – in third year; after first year, annual need to revisit
• Have an open door policy and be willing work together

**Sandy**

• Proactively schedule Fall retreat to plan priorities and update strategic plan
• Hired Assistant Dean for Planning for Planning & Institutional Studies to support
• Built into faculty governance
• Evidence-based information
• Charged student budget committee
• More capacity for analysis

**Dave**

• Involving appropriate faculty committees
• Involve more day to day
• Access to good administrator
• How info is presented – clear, clean ways
• Faculty need to be equipped so they can engage in the process while continuing to do their jobs

**Zoe**

• Education efforts started at faculty councils
• Reviewed bylaws of schools and colleges
• Encouraged faculty governance bodies to clarify role in budget decision-making/consultation
• Sharing tools, documents, and best practices
• Not everyone should be doing analysis on top of their own job role, not realistic; but all need to analyze
• Identify metrics and dashboards; gather data informative to constituency and geared toward decision making
• Track costs and revenue consequences for activities that are prioritized
• Upfront cost of ABB is high, but returns are strong
Question 3: What have been some of the unintended consequences of ABB and mitigations?

Zoe
- Conflicts of interest, schools competing for credit hours and degrees (example: duplicating a course offered by another school to keep student dollars in their own college)
- Revisiting importance of institutional priorities can help resolve conflicts
- Fixation on what is being measured
- Provost supplements were meant to help schools ease into ABB, but ABB caused unexpected differentiation across units
- Tuition growth limited (although predictable) and with lower enrollment, hard to predict where students would go
- No deficit/bailout management plans
- Lesson learned: Strategic enrollment management is critical, leverage and use resources
- Lesson learned: Think about degree mix i.e. average degree cost, differences in degree costs

Sandy
- Some were not prepared to follow up with transition planning and execution
- Not prepared to look at how to move resources to meet new needs
- Lesson learned: consider applying ABB principles to administrative units in addition to instructional

Vicki
- Lack of understanding/clarity around the concept of GOF
- Lesson learned: make sure faculty lines are covered
- GOF can go up and down, think strategically
- Even amid limited growth, still have fixed costs – merit, course costs, promotions

Dave
- Lesson learned: allocate space costs and make costs visible
- Seattle – with fee-based degrees, problems with transparency and behavior, not following the spirit of the model

Question 4: What has been the impact on schools feeling taxed to support centralized services? If there is value in cross-disciplinary studies, how do we incentivize dual degrees from the beginning?

Dave
- When centralized services allocated to schools, schools want to understand costs, which are seen as a point of contention in a resource stretched environment

Sandy
- In terms of interdisciplinarity, problem at registrar’s level, not knowing how courses are planned behind the scenes, no mechanism to control it
**Question 5: Regarding faculty culture: what can we do if junior faculty feel pressured to chase grants and compete for students in order to gain tenure?**

Sandy
- Tries to “protect” her faculty from ABB

Zoe
- Engage faculty and have robust dialogue early on
- Decide how, as a school, you are going to build in slack so you can decide when/how to do research
- Assess curriculum, class sizes and costs and decide if that is the right cost structure/mix
- Step back and look holistically where and how to strategically adjust

Vicki
- Faculty and staff should work together collaboratively – create curriculum committees where finance exists just outside the conversation, does not drive it

Zoe
- Strategic goals – know where you want to go academically (without fiscal component), then plan how (fiscally)

**Question 6: Do you have recommendations for this campus to retain cohesive campus culture?**

Zoe
- There will be tension between local and global priorities
- Need global understanding that local decisions have institutional impacts
- As new courses are reviewed – identify pathways and decisions making groups, and who should be at the table
- Have systems in place to support early conversations
- Resolve conflicts of interest early, see opportunities for collaboration

Vicki
- Communicate early and often and at all levels
- Work together

Dave
- UW Bothell is important to the region and should leverage community value to develop local resource support (tap into this unique resource)
- Make case in community as unified institution not by school – UW Bothell as one entity