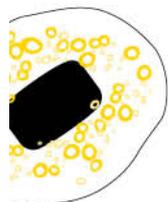


# UNIVERSITY OF TWENTE.



**Prof. Dr. K.I. van den Oudenhoven-van der Zee**  
Dean School of Management and Governance

## SCHOOL OF MANAGEMENT AND GOVERNANCE

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DATE  
December 4, 2013  
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APPENDICES  
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COPY  
University Council; Faculty Council  
Behavioural Sciences

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SUBJECT  
Advice regarding proposed merger of School of Management and Governance and School of Behavioural Sciences

Dear Dean,

The Faculty Council of the School of Management and Governance received a final merger plan and a reorganization plan (November 19, 2013) for advice. These final plans were discussed in the council meeting of November 26. Previously, the council received the concept merger plan and reorganization plan (November 4, 2013), which were discussed in the council meeting on November 12. Additionally, the merger has been on the agenda of all council meetings in the second half of 2013.

In the next section the Council gives its final advice regarding the merger plan and reorganization plan based on the oral and written information received. Next, the considerations that have led to the final advice are given. These considerations concern: a unique profile; high quality research and teaching; managerially effective organization; cost-effective support of the primary process; and funding. Please mind that the four former points are the goals of the merger as stated in the merger plan.

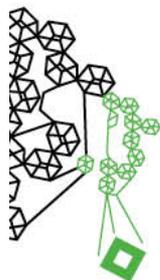
### **Advice of the Faculty Council**

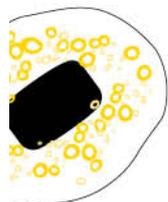
The Faculty Council of the School of Management and Governance **advises positively** on the reorganization plan for as far as it pertains to the formal restructuring of both Schools into one; the Council **advises negatively** on the current vision and strategy plan as a means to achieve integration of both Schools and set out a sustainable future course for the merged School.

The Council has chosen to advise separately on both plans as the Council sees the potential benefits of a merger – especially in relation to a managerially-effective organization and cost-effective support of the primary process, but is generally not satisfied with the limited depth of the strategy and concrete operational measures. The considerations supporting this advice are mentioned below.

### **General comments**

- On December 12, 2012, the Faculty Councils of both schools organized an employee input meeting. The outcome of this meeting was summarized in 16 action points in four separate domains. The Council appreciates the execution of the majority of these action points; nonetheless a substantial number of action points are still not executed. These will be mentioned below where appropriate.
- One of these action points was to learn from previous mergers and reorganizations. Based on our advice of October 11, 2011 we can conclude that the information provision has indeed become better, that personnel and financial consequences were indeed given, and that a vision was developed. We appreciate the role the dean has played in these improvements. On the other hand, the merger talks have led to unrest among staff as was predicted and a thorough reflection on the School's business model is still missing.



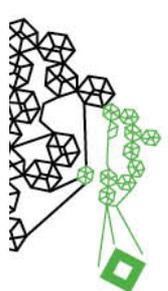


- Additionally, the Council has repeatedly pointed out to the board of the university (advice October 11, 2011 and November 17, 2011) that a further drop in educational funding would increase the workload of teaching staff and consequently have an effect on the quality of teaching and research. This effect has become rather evident in the external evaluations of our teaching programs in 2013. The Council would therefore urge the board to ensure appropriate funding of our teaching programs.
- Based on the experiences that we have with the process that led up to the vision and strategy plan and the reorganization plan in their current state, the Council points out that for a positive advice in phase two more effort needs to be spent by the three working groups on delivering *well-written* materials *on time*. Comments, improvements and further comments had to be made in a very short time period, which was not envisioned in the original planning. Also, we propose that the Council is involved earlier in offering constructive feedback on subparts of the plans.
- The organization of the Faculty Councils after the merger is not made clear in the plans. As was discussed previously, after a merger the current Councils would also be merged till new elections are organized.

## 1. Unique profile

### *Considerations*

- The final version of the merger document contains a rather qualitative and shallow analysis of the external environment. For proper strategy development such an analysis should be more profound by detailing the strengths, weaknesses, opportunities and threats for the merged school in the current market. Also, it should be made more explicit how the envisioned profile compares to other relevant schools, what this profile entails for the market positioning of the school, and what evidence is available that such profile actually fits the requirements of profitable market segments.
- The analysis of strengths, weaknesses, opportunities and threats should lead to a specific value proposition: what is it that we exactly offer to our different stakeholders and society at large? A market analysis could then help in crafting a unique value proposition. Such a value proposition as essential part of a unique profile is missing in the current plans.
- This value proposition and unique profile should explicitly contain a technology focus – i.e. more than is the case in the current plans – as the context of the university offers unique opportunities at the interface of the social sciences and technology.



## 2. High quality research and teaching

### *Considerations*

- The plans do not contain qualitative or quantitative indicators or other operationalizations for high quality teaching and research. Such baseline measures are needed to describe where exactly a merger will contribute to higher quality research and teaching and to later evaluate if a merger has indeed delivered its promise. Arguably detailed indicators will be developed in phase two, but at least the relation to key performance indicators of the university and school should have been made explicit. Based on the current plans there is no basis from which we can start to discuss improvements. Some examples indicators include didactics, language skills, content and overall student evaluations.
- The refocussing of research themes threatens existing research programmes and expertise, the international research networks in which some faculty participate, and on which the quantity and quality and placement of their research depends.
- Concrete policies and practices for talent management to reach these goals are not elaborated, for example in the form of different career paths to also appreciate those that excel in teaching (also mentioned in the employee input meeting December 12, 2012)
- A business case should provide a realistic plan for distributing teaching duties and incorporating teaching duties into the academic staff profile of employees. The envisaged increase in class sizes, coupled with a reduction in staff to teach them, raises the prospect of at least some, if not most staff, having their room to research effectively marginalized, accompanied by reductions in quality for students that further reduce the attractiveness of educational programmes at the UT.
- Since IGS fulfils a key role in research and will obtain a larger role in research evaluations, the Council urges the IGS to appoint members –selected in collaboration with the Faculty Councils of both Schools– in the currently virtually defunct IGS Institute Council.



### **3. Managerially effective organization & Cost-effective support of the primary process**

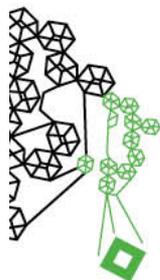
#### *Considerations*

- A merger of both Schools will lead to a more concentrated mass of the social sciences and interface programs at the University of Twente. Such a concentration represented by a single dean will be able to clearly articulate its interests as well as speak with one voice.
- Since there are minimal changes in the department structure of the Management and Governance departments, this will lead to little if any unrest among staff.
- A merged school could lead to more efficient organizing, yet the actual savings will only be clear in phase two. The University Council has explicitly mentioned that they expect the plans to contain the expected revenues and/or savings and how these are going to be realized, i.e.: concrete and measurable goals and ambitions formulated at the level of groups that will initiate shared (new) teaching and research (UR 13-153; October 27, 2013).
- The plans do not provide information on how we compare to other schools: for example in the form of overhead cost per employee and/or per student.
- The employee input meeting (December 12, 2012) clearly indicated that a careful analysis should be made of the necessity of higher-level support staff. The Council questions that if a dean can manage more than 10 departments, the dean would also be able to manage less than 10 program directors (OLDs). This begs the question if we need two, if any educational directors (OWDs). Furthermore, the Council finds it difficult to comprehend while a new ambassador role needs to be created, while over the board, jobs are being cut in operational support staff, i.e. people that directly support the primary process.

### **4. Funding**

#### *Considerations*

- A business case should provide a convincing case of better funding through the merger. The principle financial finding of the reorganization plan is a large deficit, which the plan does not intend to reduce more than 10-15% percent. Instead, it makes an explicit statement that the merger requires additional funds in order to proceed. The Council sees such additional funding, especially for teaching, as a necessary condition for a successful merger and a viable future for social sciences at the university.
- The connection between the goals and the intended funding sources has not been made. There is merely a mentioning of some general funding programmes. This begs the question how we concretely will get (more) European and international grants, since Dutch research funding is small and shrinking. Nor are prognoses made of what financial rewards the research foci would deliver.
- The general financial outlook for the merged schools shows an actual reduction in externally-funded research funds, especially in the third money stream. The Council is of the opinion that the third money stream should be considered an opportunity instead of a threat, especially when departments are allowed to carry profits and losses over the years and hence are rewarded for performing well in this domain while not encouraging end-of-year spending.



On behalf of the FR MB,

Yours sincerely,

Dr. M.L. Ehrenhard

*Chairman Faculty Council Management & Governance*