Executive Summary

The Centers and Institutes task force met between September 2009 and June 2010. Extensive data were gathered on U-M’s Centers and Institutes. Based on the task force analysis of U-M data, and comparison of similar efforts at other institutions, task force members have considered the following possible recommendations:

a. The Provost’s Office, in consultation with the Office of the Vice President for Research and the Deans, should issue a statement regarding University priorities and values as they relate to the creation and operation of Centers and Institutes.

b. All academic Centers and Institutes should be asked to revise or construct their mission statements consistent with those priorities and values, and to describe a set of measurable metrics useful in evaluating progress in fulfilling the unit’s mission.

c. All Centers and Institutes should be assigned their own financial identity to enable periodic financial reporting on overall revenues and expenditures.

d. The University should pilot an ambitious shared space and staffing effort, via a “Center of Centers” where multiple Centers and Institutes reside, sharing staffing and common spaces. The Center of Centers should be populated by units that will benefit from intellectual collaboration.

e. The University should institute a process for vetting proposals for new centers to include milestones, and mechanisms for evolving centers from fully supported to stand-alone.

f. A mechanism for retiring centers that no longer support the core university mission of research, education and scholarship needs to be defined.

g. The creation of central expertise should be considered to assist units with creation, evaluation and provision of special services when needed.

h. Centers and Institutes with similar missions should be identified and brought to the attention of unit leaders for possible collaboration and/or consolidation.
Contents

1 Background ........................................................................................................................................ 3
  1.a Similar efforts at other institutions ................................................................................................. 3
  1.b Data gathering and analysis ............................................................................................................ 4

2 Recommendations .................................................................................................................................. 4
  2.a University values regarding scholarly Centers and Institutes ..................................................... 4
  2.b Mission statements and performance metrics ............................................................................... 5
  2.c Financial identity ............................................................................................................................ 6
  2.d Pilot project: “Centers for Centers” .............................................................................................. 6
  2.e Process for creating new centers ..................................................................................................... 7
  2.f Create central expertise ................................................................................................................... 8
  2.g Identify centers with similar missions ............................................................................................. 9
1 Background

During 2008 and 2009, the Provost and Deans of the Schools and Colleges at the University of Michigan held a series of retreats to determine the University’s future strategic plans. During the course of these retreats, the University’s Centers and Institutes (henceforth “centers”) were identified as an area of operations that would benefit from some analysis. The retreat participants acknowledged that, although various individuals had good awareness of the activities of individual centers, a complete picture of the activities of all centers was lacking. They also agreed that it would be valuable to determine a strategy for administering centers, as part of the overall University strategy.

In order to satisfy this need, a task force was formed, with the goal of determining the current state of centers at the University, and of proposing a strategy for their ongoing administration and oversight.

In addition to the contributions of the task force members, University staff members conducted two research projects to inform this process, looking at similar efforts carried out by other institutions, and gathering current data on the University’s centers.

1.a Similar efforts at other institutions

To inform the task force’s work, research staff investigated efforts at other institutions to develop a strategy for administering academic centers. In particular, the research staff looked at efforts at Duke University and UC Berkeley, as well as reading several reports and books on the subject written by administrators with experience in this area. Several common themes emerged from this research.

- Centers are crucial components enabling interdisciplinary work at broad-based Universities like ours.

- Protecting the University name is important, as is ensuring that Centers share the core missions of the University.

- Resource commitments to centers should be time-limited with renewal based on clear objective measures with planned formal reviews.

- A central structure to support large university centers helps facilitate success, share resources, and evaluate success to curb spending.

- Involvement of the Deans of the schools and colleges is crucial to enlist long-term support and vision for centers to sustain their contribution to the University mission beyond the original funding period.
1.b Data gathering and analysis

The data gathering process identified 217 organizations in total that appeared to be centers or institutes and that were of interest to the task force. As a first step, the list was pared down by eliminating 23 defunct organizations and 19 that did not qualify as centers, leaving 175 active centers. A second step was to determine whether or not each center had a primarily academic mission. The task force determined that of the 175 active centers, 147 are academic in this sense. Attachment A contains the full listing of centers, including the non-academic, non-qualifying and defunct organizations.

The process of gathering data consisted of sending a survey form to center leadership (the form is included as Attachment B). Overall, 90% of the centers sent a response to the survey. Compiling the data raised issues concerning the financial identity of centers: it was often difficult to precisely determine a center’s expenditures and/or staffing, specifically when the center in question did not have its own distinct “Department ID”. On the other hand, it was easy for the task force staff to independently produce such data for those centers with such an identity, even though some initial survey responses were lacking in clarity. This observation led to the inclusion of recommendation (c) regarding financial identity.

The data was then analyzed. Mostly, the analysis focused on a center’s clarity of purpose (its mission statement and performance metrics), its size (measured by expenditures from different funds) and its staffing pattern. Outcomes of the analysis are referenced in the recommendations that follow.

2 Potential recommendations

2.a University values regarding scholarly Centers and Institutes

Members of the task force put forth high-level attributes of scholarly centers that made them of value to the University. These attributes include:

- The center advances one of the primary academic missions of the University (education, research or service) in ways that would be difficult to sustain within a department.
- The center contributes to diversity, outreach and or global engagement in unique ways.
- The center has a viable plan to sustain the resources (financial, facilities, human) that support it.
- The center supports work that is unique and innovative – not duplicated elsewhere on campus.
- The center supports work that crosses disciplines and would not fit well within a single department or program.
It is recognized that not all centers are able to pursue all values. Nonetheless, anchoring the centers in University values is a helpful tool to gauge whether the center is engaging in appropriate activities. A more inclusive process will need to be put forth to gain support from all academic unit leaders, therefore the committee recommends:

*The Provost’s Office, in consultation with the Office of the Vice President for Research and the Deans, should issue a statement regarding University priorities and values as they relate to the creation and operation of Centers and Institutes. This statement should reflect the mission of the University and priorities for Center focus and design. It should be dynamic, so that the Provost may change the focus based on the interests of the University.*

2.b Mission statements and performance metrics

The second recommendation concerns mission statements and metrics.

Figure 2.1 shows how well defined (or otherwise) the centers’ mission statements and means of measuring progress currently are. The categorization was conducted in two steps:

1. Each center was given a score of 0, 1 or 2 for its response to each of the two questions regarding mission statement and performance tracking, with 2 being the best score and 0 the worst

2. The scores were added together, and centers were placed in one of three categories:
   a. Not well-defined: total score of 2 or less
   b. Well-defined: total score of 3
   c. Very well-defined: total score of 4

The figure shows the breakdown by center size (as measured by General Fund expenditures), and shows that, although many centers have already made a serious effort to define their mission and put in place measures to track performance, there are a significant minority which have not done so (or at least, which did not demonstrate this through their survey response), some of which have large General Fund expenditures.

*Figure 2.1: Clarity of purpose – number of centers in each category*

<table>
<thead>
<tr>
<th>Center Size</th>
<th>Not well-defined</th>
<th>Well-defined</th>
<th>Very well-defined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $5K</td>
<td>13</td>
<td>20</td>
<td>23</td>
</tr>
<tr>
<td>$5K to $50K</td>
<td>3</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>$50K to $500K</td>
<td>5</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Over $500K</td>
<td>5</td>
<td>6</td>
<td>18</td>
</tr>
</tbody>
</table>
Of course, the scores attributed to each center’s mission statement and performance metrics were subjective. However, there is definitely scope for improving the clarity of purpose as communicated by several centers. Therefore, the task force recommends the following:

All academic Centers and Institutes should be asked to revise or construct their mission statements consistent with those priorities and values, and to describe a set of measurable metrics useful in evaluating progress in fulfilling the unit’s mission.

A review process should be put in place whereby each center and institute will be reviewed by its host unit on a periodic basis. At a minimum, this review will evaluate the extent to which the center or institute is achieving its stated mission as measured by the agreed upon metrics.

2.c Financial identity

The third recommendation concerns the administration’s ability to separately identify a center’s operations (specifically, financial). In the process of gathering the survey data on centers, the task force staff noted that it was very difficult to precisely associate expenditures with centers in the absence of a Department ID that is only used for center activities. On the other hand, when such a Department ID exists, it is very easy to track expenditures and staffing levels, both of which are ubiquitous metrics for performance monitoring.

Thus, in order to allow straightforward monitoring of every center’s financial and HR operations, the task force recommends that:

All Centers and Institutes should be assigned their own financial identity to enable periodic financial reporting on overall revenues and expenditures.

In practice, this will imply that every center will be assigned a unique Department ID (or group of IDs, in the case of larger centers with multiple component operations).

2.d Pilot project: “Centers for Centers”

One focus of the task force was the large number of academic centers that have a small number of support staff (often a single administrator). Figure 2.2 shows the pattern of staffing in those centers included in the analysis, for which staffing data were available.
The task force notes that there are several negative consequences to this pattern of staffing, including the following:

- “Solo” staff members can become isolated from their peers, and have fewer opportunities for development and advancement
- Lack of knowledge sharing increases the risk of a key departure causing significant administrative turmoil
- Having a single staff member handle all administrative tasks for a center prevents efficiencies of scale

To mitigate these consequences, the task force recommends the following:

The University should pilot an ambitious shared space and staffing effort, via a “Center of Centers” where multiple Centers and Institutes reside, sharing staffing and common spaces. Within this Center of Centers, the participating units would engage in shared services and share spaces (e.g., conference and meeting rooms, kitchens and lounges, drop-in faculty staff offices, videoconferencing facilities) to the extent possible. There should also be some modest amount of allocated space within the Center of Centers, which allows for growth or retraction of space as the priorities of different organizations change over time. The Center of Centers should be populated by units that would benefit from intellectual collaboration.

2.e Process for creating new centers

Currently, there is little oversight in the creation of centers around campus. Task force members agreed that much could be gained through a detailed process outlining the
guidelines for creating such entities. Critical to their development would include mission and evaluation metrics, as well as a well-defined lifecycle in respect to funding mechanisms. For example, a glide path may be instituted to guide centers from being fully supported, to stand-alone. This graduated technique will provide a sunset clause for units to follow as well as clearly defined goals for the center. Figure 2.3 shows an example of a glide path that may be appropriate for centers to follow.

Figure 2.3: Glide path for center (creation to stand-alone status)

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit pays</th>
<th>Unit receives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years 1-5</td>
<td>Nothing – center is fully supported</td>
<td>10% ICR</td>
</tr>
<tr>
<td>Year 6</td>
<td>25% space costs plus taxes</td>
<td>35% ICR</td>
</tr>
<tr>
<td>Year 7</td>
<td>50% space costs plus taxes</td>
<td>60% ICR</td>
</tr>
<tr>
<td>Year 8</td>
<td>75% space costs plus taxes</td>
<td>85% ICR</td>
</tr>
<tr>
<td>Years 9+</td>
<td>100% space costs plus taxes</td>
<td>100% ICR</td>
</tr>
</tbody>
</table>

To accomplish this, the task force recommends:

**The University should institute a process for vetting proposals for new centers to include milestones, and mechanisms for evolving centers from fully supported to stand-alone.**

### 2.f Process for retiring centers

In addition to a process for creating new centers, there is also a need for a process to retire centers that no longer fulfill their mission. The task force recommends:

**A mechanism for retiring centers that no longer support the core University mission of research, education and scholarship needs to be defined.**

### 2.g Create central expertise

The administrative burden of creating and running a center can be confusing and cumbersome. This burden could be lessened by the creation of a centrally located office to assist with various aspects such as center creation, evaluation, financials and ongoing administrative maintenance. A central office could also serve as the organizing agency for
the review process. With the large number of centers in existence, coordination of regular center reviews will be a major undertaking. Therefore:

**The creation of central expertise should be considered to assist units with creation, evaluation and provision of special services when needed.**

The task force notes that this recommendation is in some ways complementary to 2.d – the “Center of Centers”, which might house the expertise called for in the recommendation.

**2.h Identify centers with similar missions**

Through the task force’s research, it became apparent that many centers on campus exist with similar missions, goals, and/or research trajectories. It would be prudent to identify similar centers and determine whether or not it would be fruitful to initiate collaboration between centers, or even combine resources in such a way as to take advantage of having multiple areas dedicated to a similar cause. Therefore the committee recommends:

**Centers and Institutes with similar missions should be identified and brought to the attention of unit leaders for possible collaboration and/or consolidation.**