Committee Chair McElroy calls the meeting to order.

(1) Minutes of January 20, 2008 (pp. 1-16)
(2) Minutes of Joint Academic and Student Affairs and Finance, Facilities and Technology Committees of February 12, 2009 (pp. 17-19)
(3) Academic and Student Affairs Update (p. 20)
(4) Workforce of the Future: Leadership Reaches Out to Business (pp. 21-38)
(5) Overview of Academic Program Review (pp. 39-41)

Members
Dan McElroy, Chair
Christine Rice, Vice Chair
Duane Benson
Cheryl Dickson
Jacob Englund
Louise Sundin
James Van Houten

Bolded items indicate action required.
The minutes from the November 18, 2008 Academic and Student Affairs Committee Meeting were approved as written.

2. Academic and Student Affairs Update – Senior Vice Chancellor Baer
   Because of meeting time constraints, Senior Vice Chancellor Baer did not offer an update.

3. Proposed Amendment to Policy 3.18 Honorary Degrees (Second Reading)
   This was the second reading of this policy which establishes the specific degrees that may be awarded, places limits on the number of honorary degrees that may be awarded and provides colleges and universities with maximum flexibility to develop their own internal procedures and processes. It is modeled after general national practice.

   Trustee Van Houten said he preferred that the policy clearly state that honorary degrees will not be offered as a form of “payback” for large donations.

   Senior Vice Chancellor Baer said language pertaining to this point is in the procedure. At the request of Chair McElroy, she said she would provide committee members a copy of the procedure by e-mail.

   Chair McElroy moved that the following amendment be made to the motion: The Chancellor shall provide a report to the Board on honorary degrees in January and July of each year. The report shall include information about the
number of degrees awarded, names of recipients and degree designations. The motion was seconded by Trustee Rice and the motion carried.

Motion was made by Trustee Dickson and seconded by Van Houten to recommend that the Board of Trustees approve the amendment to Policy 3.18 Honorary Degrees, as amended. Motion carried.

4. Proposed Amendment to Policy 3.36 Academic Programs (Second Reading)

This is the second reading of this policy which is being changed to reflect language in a 2007 session law that limits the program credit length of associate and baccalaureate degree programs.

The law sets the maximum number for credits for associate degrees at 60 credits and baccalaureate degrees at 120 credits. It allows waivers based on industry or professional accreditation standards. It also establishes a common, system-wide program credit length for similar programs. This is a fundamental change from current practice which allows program credit lengths to vary among the colleges and universities.

Reduced program credit lengths and waiver request decisions are expected to be completed by the end of fiscal year 2012.

Two universities already have taken actions to reduce baccalaureate degrees from 128 to 120 credits, Senior Vice Chancellor Baer said, adding the major concern is for the AAS degrees that are over 60 credits because of professional standards or accreditation.

Senior Vice Chancellor Baer said there is a waiver process in place and campuses are in discussion to date pertaining to programs that should be considered for waiver.

Trustee Benson said his main issue with the policy focuses on governance. A policy pertaining to credit length should come from the system’s Board of Trustees, not the Legislature. He said he believes it would be appropriate for the system’s government relations staff to seek a repealer of this law.

Trustee Van Houten acknowledged the encroachment issue, but he said he is concerned that credits for rudimentary programs within the system can differ from institution to institution. This suggests a lack of system guidance in reconciling differences when it comes to quality programs, he said.

Trustee Dickson said similar programs also can have a variety of names. This could lead to confusion among potential students, parents and the general public, she said.
Trustee Englund questioned a waiver process that relies on recommendations from a faculty board, since reducing program credits could have staff implications. He said a task force which includes representatives from faculty organizations, student associations and the Office of the Chancellor could be established to review the credit length of degrees.

Senior Vice Chancellor Baer said the Office of the Chancellor, in tandem with the faculty unions, is already working on the consistency issue. The first step involves program credit waivers, which are being initiated at the campus level. Then statewide credit length consistency issues will be considered, she said, adding that there are already groups forming to begin those discussions.

Chancellor McCormick said since the legislative committee chairs and staff that work with higher education often change, it may be advantageous for system leaders to meet with them on a regular basis to ensure that they understand the role of the system and its governance.

Board Chair Olson said if issues such as the one involving credit limits emerge at the Legislature, the System’s government relations staff should inform Board members.

Trustee Benson made the following motion: The Chancellor is directed to prepare and propose to the Legislature a repealer of the 60/120 credit legislation in the 2007 laws of Minnesota Chapter 144. The motion was seconded by Van Houten. Motion carried.

Motion was made by Chair McElroy and seconded by Trustee Rice to recommend that the Board of Trustees approve the amendment to Policy 3.36 Academic Programs as published. Motion carried.

5. **Century College Mission Approval**  
**Presenter:** John O’Brien, Acting President

Acting President O’Brien said Century College has spent the past year assessing the college’s mission, vision and goals. Now is a great time to prioritize and revitalize the discussion on the mission of the two-year college, he said.

One aim was to make the college’s mission statement more articulate, relevant and focused on students, he said. They tried to capture the dynamic of what is special about the teaching and learning environment at Century College.

The proposed new mission at Century College is: Century College inspires, prepares and empowers students to succeed in a changing world.
A motion was made by Trustee Dickson and seconded by Trustee Englund to recommend that the Board of Trustees approve the request by Century College to approve its vision, mission, goals and array of awarded as listed in the executive summary. Motion carried.

6. **Ridgewater College Mission Approval**  
   **Presenter:** Douglas Allen, President

Ridgewater College was created in 1996 by merging three colleges in two communities. This included one community college in Willmar, as well as technical colleges in Willmar and Hutchinson. The previous mission statement attempted to honor and protect the mission of all three institutions, President Allen said.

Since the college will have an AQIP evaluation in February, it was appropriate for staff and constituent groups to spend time during the past year reviewing the college’s mission, vision and purposes, President Allen said. What resulted is a mission statement that is better, shorter and more direct.

The new mission statement for Ridgewater College is as follows: Ridgewater College provides quality educational opportunities for diverse student learners in an inclusive, supportive and accessible environment.

A motion was made by Trustee Benson and seconded by Trustee Dickson to recommend that the Board of Trustees approve the request by Ridgewater College to approve its vision, mission, goals and array of awarded as listed in the executive summary. Motion carried.

7. **Joint Iron Range Task Force Report – Senior Vice Chancellor Baer**

In the 2008 legislative session, a new Iron Range Higher Education Account was authorized to be funded by a tax on taconite mined in the Taconite Assistance Area. At recent production levels, revenue from this new source of higher education funding could generate $1.8 million or more per year. This money is targeted to the establishment of new programs, primarily ones in engineering, and is not meant to supplement current programs.

A Joint Iron Range Task Force, co-chaired by Senior Vice Chancellor Baer and Robert Johns, University of Minnesota Senior Vice President for System Academic Administration, worked to identify opportunities for expanding higher education opportunities on the Iron Range. They also outlined faculty requirements and estimated financial resources needed.

New and expanded baccalaureate and master’s degree engineering programs in Iron Range communities would most likely employ online education or instructional television to supplement on-site classes or staffing.
Institutions involved in the expanded offerings could include University of Minnesota - Duluth, Bemidji State University and MSU, Mankato, as well as institutions in the Northeast Higher Education District. Itasca Community College has a strong pre-engineering program, Senior Vice Chancellor Baer pointed out.

There remain concerns concerning the accreditation of such programs. Inquires are being made to ABET to ensure that any new engineering programs offered would meet accreditation standards, Senior Vice Chancellor Baer said.

The Task Force’s report is expected to be delivered to the Legislature by the end of January.

8. **Minnesota State Colleges and Universities/University of Minnesota Joint report**

The 2009 Joint Report on Metro Planning is the fifth report produced jointly by Minnesota State Colleges and University and the University of Minnesota.

The report reflects the long-term, ongoing and effective working relationship between the two systems to develop and coordinate joint post-secondary programs in the Twin Cities and throughout Minnesota.

Some key findings in the report are:
- Metropolitan area institutions of both systems serve over 96,000 full-year equivalent students per year, including substantial enrollments of students of color. Continuing future growth is projected.
- During the past eight years the number of formal academic collaborations and partnerships between the University of Minnesota and the Minnesota State Colleges and Universities has grown from 60 to over 200 programs.
- There is very little duplication of programs in the metropolitan area between the systems. Among the over 1,500 degree programs available at both systems, only 43 are similar enough in content to be considered duplicative, and most are in high-demand fields.
- The two systems have established and improved cooperative inter-system transfer programs, including articulated transfer standards, the Minnesota Transfer Curriculum, a transfer specialists’ network, and shared electronic transfer data software systems.

Trustee Van Houten said after reviewing the overall metropolitan population growth estimates in the report, he said it is reasonable to believe existing metropolitan institutions could absorb the projected growth in the near future. With current economic conditions, he said it wouldn’t be prudent to spend additional funds on metropolitan expansion during the next few years.
While acknowledging the economic realities, Chancellor McCormick said the system must do some strategic planning on what type of institution they want Metropolitan State University to become in five and 10 years. He pointed out there will continue to be a call for additional baccalaureate and graduate programs at public institutions in the metropolitan area, as well as more transfer opportunities for students graduating from metropolitan two-year institutions.

Trustee Englund brought up the high costs of remediation. Perhaps costs could be cut if remedial coursework was offered at a central location, or online, rather than at each institution.

Trustee Benson asked if entrance standards could be modified to indicate that state colleges will accept everyone – as long as they are college ready.

Gail Olson, legal counsel, said entrance standards can be set by the Board of Trustees.

Senior Vice Chancellor Baer said entrance standards for university students were set 10-12 years ago. This caused students to start taking coursework in high school needed to meet those standards. State colleges have open access; it is part of their mission as stated in state statute.

Chancellor McCormick said this is a topic worth discussion by the Trustees since the costs associated with remedial teaching are significant.

Trustee Sundin said if the Board is serious about its goal of increased access, it should not be putting up artificial barriers that will cause people not to pursue higher education. The system should not shirk its responsibility when it comes to remediation, she said.

Trustee Rice said the topic of remediation costs could use more discussion. She said it would be helpful to know more about the success rate and outcomes of those who receive remediation to determine if the money is being used wisely.

Senior Vice Chancellor Baer said a report on these issues could be presented at a future meeting.

   **Presenters:**
   Greg Owen, Wilder Research
   Ellen Shelton, Wilder Research
At the end of the current fiscal year, the Centers of Excellence initiative will complete the initial four year commitment. Staff from Wilder Research who conducted a program evaluation presented this report to the Trustees.

The Centers of Excellence include:
- 360° Center of Excellence in Manufacturing and Applied Engineering, lead university: Bemidji State University;
- Center for Strategic Information Technology and Security, lead university: Metropolitan State University;
- Center for Engineering and Manufacturing Excellence; lead university: Minnesota State University, Mankato;
- HealthForce Minnesota, lead university: Winona State University.

Main Centers of Excellence expectations and findings included:

**Industry outreach and partnership**
- Growth in total number of firms involved – there were 186 involved in 2008;
- New firms are being involved – 56 percent have not previously worked with any center-affiliated program.

**K-12 outreach and partnership**
- Single and multi-day camps and events, meetings, call presentations have reached 8,000 youth;
- Project Lead the Way offered in 181 schools, up from 78 schools;
- 9 out of 10 youth participants surveyed report more career awareness and interest in the field.

**Strong and more accessible academic programs**
- $15.3 million additional funds brought in;
- Coordinated approach to strengthening academic programs by upgrading equipment or facilities, new courses or programs and modified content and/or delivery.
- Increased articulation among institutions.

**Numbers of students and graduates**
- For-credit enrollments rose 12 percent since 2006;
- 15 percent more diplomas awarded;
- 35 percent more associate degrees;

**Statewide economic impact**
- Customized training delivered to over 1,400 incumbent workers;
- Growth in numbers of associate degrees and diplomas;
- Strong business involvement in Centers

**Key challenges noted in the report include:**
- Identification of sustainable sources of funding;
- Continuation and expansion of marketing and partnerships with industry;
- Balancing collaborative goals with individual institutional interests;
• Helping faculty carve time away from regular obligations;
• Finding ways to expand to system-wide scope;
• Developing more readily available measures of cross-institutional successes.

Trustee Van Houten said after reading the full report, he had questions regarding the report’s methodology and what he perceived to be implied criticisms of system leadership.

He said Centers of Excellence were to promote best-in-class programs and he didn’t see any comparisons in the report that would allow for judging if such programs have been created.

Mr. Owen said there was not data available for this comparison and therefore this goal is not being reported on at this time.

Trustee Van Houten pointed out that the report indicates only 4 percent of students interviewed in these programs were aware of the existence of a Center before they enrolled in the program. He said that small percentage indicates to him that Centers do not seem to have any impact on student awareness or enrollment.

Ms. Shelton said the small percent was caused by the timing and availability of enrollment information at the time of the survey. Students interviewed were from a pool of students enrolled for several years, meaning they made their decision to enroll in the programs before the Centers existed or were marketed.

Finally, Trustee Van Houten said from his reading of the report, he perceived four areas of weakness in system-level leadership:

1) A lack of cooperation among partnerships.
2) A lack of agreement among the Centers regarding mission.
3) A lack of awareness that participating in these centers would create the expectation that they innovate.
4) A lack of accountability for standards.

Ms. Shelton said she would not categorize Trustee Van Houten’s points as criticisms, but rather as observations. For example, she said it is a strength that Centers have the latitude to be making decisions and picking priorities that fit their environments, rather than having strictly pre-determined priorities placed on them by system leadership. This latitude was bound to result in some struggles to identify the best modes of cooperation and to some disagreements about priorities, she said, adding that most of these are being resolved over time.
Centers are now re-prioritizing and calibrating under a much more mature level of experience, she said. They have seen the Office of the Chancellor, in general, on top of these discussions, she said.

With regard to system-level activities, Mr. Owen reminded Trustees that the legislation that created the Centers of Excellence did not reserve any dollars for the Office of the Chancellor for administration. Directing some resources for center development/guidance may be helpful.

As for the mission and direction of the Centers, Mr. Owen said it would be best to think of the development so far as a demonstration or pilot phase. One of the things evident from the beginning was that Centers were going to have a chance to develop along their own lines and it was important for them to experiment to find the best way to operate.

Pertaining to the issue of accountability for institutional leaders, Mr. Owen said one of the things they heard from administrators and faculty in surveys was the concern that it is still difficult, because of the way job descriptions were designed, for people to receive the proper acknowledgement for their leadership efforts to bring institutions together in different ways.

Senior Vice Chancellor Baer said the Office of the Chancellor conducts regular conversations and meetings with Centers of Excellence directors. Each industry is different and they have been working to find the best ways to approach this leadership. Center expectations, she added, can be a point of discussion during presidential evaluations.

Senior Vice Chancellor Baer asked the Trustees to consider ongoing financial committee for the Centers of Excellence.

Trustee Reiner said he thinks the ongoing support for Centers of Excellence should be taken under advisement by the Finance Committee as it looks at the entire budget situation. He said it would be ill-advised to take any part of the overall budget and make it sacred relative to the rest.

Trustee Benson agreed. He said it would be unfair to the Finance Committee to have other committees spending money without consultation.

Trustee Van Houten said the Finance Committee is the appropriate place to consider continued funding. He said he would not be comfortable supporting continued funding unless there is a commitment from system-level staff that they deal with the leadership issues identified in the report.

Senior Vice Chancellor Baer reminded trustees that a delay in funding decision has implications for centers in terms of staffing, programming and seeking outside funds. For example, summer camps for K-12 students, contracting with faculty
for next academic year and grant writing will be impacted without an understanding that some funding will be provided in fiscal year 2010.

10. **Campus Profile: Dakota County Technical College**  
**Presenters:**  
Ron Thomas, President  
Ron Erickson, Vice President of Academic Affairs and Strategic Planning  
Erin Larsen, Marketing and Communications Director

Strategic Campus Profiles are presented to showcase each institution in the system. The profiles include information on integrated planning, institutional programming and collaboration, futures planning, facilities projects and other data.

Dakota County Technical College (DCTC) operates its main campus in Rosemount, Minn., just 30 minutes from the Twin Cities, with additional educational sites in Apple Valley, Eagan, and Burnsville. The college primarily serves the population geographically situated within 25 miles of the college, though several of its unique programs put DCTC on both the national and international front.

**ENROLLMENT PATTERNS, TRENDS, AND DEMOGRAPHICS**

- DCTC’s student population is 53.4 percent male and 46.6 percent female. Full-time students average 25 years of age with part-time students averaging 32 years of age. The overall average age of DCTC’s students is 28. Students of color make up about 13 percent of the population.
- Current economic conditions have provided DCTC with an opportunity to promote the value of short-term and technical education. About 60 percent of DCTC’s student population report having completed at least some college, and nearly 50 percent state that their primary reason for attending college is to make a career change. Strong enrollment in programs such as Electrical Lineworker, Biomedical Equipment Technology, Wood Finishing, and Welding reflect this trend.

**SCOPE OF EDUCATIONAL OFFERINGS**

- DCTC offers more than 50 different programs that are divided into seven academic departments.
- DCTC has found great success on its main campus in Rosemount in programs relating to the areas of transportation, emerging technologies, and health. Many of the programs related to these fields have waiting lists, and nearly all have excellent employment demand with job placement rates around 95 percent.
- Transportation and emerging technologies have become a particular area of focus for the college, with the Minnesota Department of Employment and Economic Development projecting an average of 10 percent employment growth in careers relating to these areas.
• DCTC supports several curricula to train health care practitioners. The Practical Nursing program is one of our largest, diverse fields of study. The mean student age is 31 with a range from 19-61. Our new articulation with Metropolitan State University will enable program graduates to earn the BSN and practice as RNs.

• Through a partnership with Inver Hills Community College, the City of Apple Valley, and Saint Mary’s University of Minnesota, Dakota County Technical College maintains an educational site in Apple Valley. This site houses the college’s Business & Management department and served more than 500 students during FY08 and specifically caters to the needs of adult learners.

INSTITUTIONAL DISTINCTION

• Current economic conditions have increased the number of students leaving white-collar occupations in pursuit of education and employment in blue- and green-collar occupations. As a technical college, DCTC has been working diligently to develop and maintain the types of short-term and technical training needed to be successful in business and industry.

• Our most innovative health care curriculum is Medical Assisting. We offer a traditional (on-site, face to face) curriculum as well as a new hybrid-online schedule beginning January 2009.

• Through a partnership with the University of Minnesota, DCTC is home to one of the only two-year nanoscience technology programs in the United States. Recently, the college was awarded a $3 million grant to develop the Midwest Regional Center for Nanotechnology Education, or Nano-Link, which will provide resources and support to colleges throughout a five-state Midwest region from North Dakota to Michigan. Six two-year colleges in North Dakota, Minnesota, Wisconsin, Illinois, and Michigan have partnered to develop this center, along with the University of Minnesota and Northwestern University.

• The Railroad Conductor Technology program is the only one of its kind among MnSCU institutions, complete with a quarter-mile rail track on DCTC’s Rosemount campus. The program is seven weeks in length and draws people from across the United States because of its unique, short-term nature.

• DCTC’s National Institute for Wood Finishing is home to the only certified Wood Finishing Technology program in the United States. It is a nationally recognized, nine-month program taught by a Smithsonian certified instructor, and its short-term, specialized nature draws students from around the world.

• The college has a national reputation for providing training for emergency response driving, with police departments coming from as far away as Alaska to train on the college’s 2.5 mile decision driving track.

• DCTC is one of the only technical colleges in the nation to offer full varsity athletics programs, including baseball, fastpitch softball, men’s soccer, and women’s soccer. After only seven years, the programs already
boast several All-American athletes, regional titles, academic awards, and healthy recruiting classes.

INSTITUTIONAL PROFILE

Student Success
- The overall job placement rate for students graduating from DCTC in 2007 was 90.4 percent.
- The most recent licensure/certification pass rates in DCTC’s health-related programs were 94 percent for Medical Assisting, 96 percent for Practical Nursing, 97 percent for Nursing Assisting, and 100 percent for Dental Assisting.
- Fall 2006 incoming, full-time students had a 67.5 percent success rate, which is the combined percentage of students who were retained, transferred, or graduated.
- DCTC TRiO/Student Support Services served 170 students during FY08 and had a success rate (retain, transfer, graduate) of 74.1 percent.

Fundraising
- In FY08, the DCTC Foundation received $948,667 in cash donations.
- The DCTC Foundation distributed more than $266,000 to students in need of financial assistance during FY08.
- The college has an outstanding history in being awarded grants and contracts. Currently, the college is managing 14 Minnesota Job Skills Partnership grants with a total value of $3,021,512 that are providing training for Minnesota businesses.

Collaboration
- Service learning and volunteerism at DCTC continue to benefit local communities and organizations, with DCTC’s faculty and students logging 7,365.5 service and volunteer hours in FY08 through class projects or individual initiatives.
- A customized training partnership with Northwest Airlines and the Minnesota Job Skills Partnership is providing DCTC with the opportunity to train more than 1,600 leads and supervisors using a custom-built curriculum that provides 12 hours of intense, interactive leadership and supervisory training.
- DCTC delivers Occupational Spanish to several Twin Cities police departments, school districts, and real estate agencies. The training is designed to teach Spanish to individuals based on the needs of their specific occupation so they can begin using it immediately.
- Companies such as Anderson Windows, Caterpillar, and Goodrich have been working with DCTC as a training and workforce resource for more than a decade. These partnerships have resulted in scholarships, new equipment, and program support such as advisory boards and mentoring programs at the college.
- The Railroad Coalition and DCTC have worked together for the past two years to deliver railroad conductor training, with industry partners from Class I to local, regional, and short lines participating in development,
placing graduates, and continuing to work with DCTC to meet future needs.

- The Minnesota State Patrol has partnered with DCTC to offer training to commercial vehicle inspectors, with 308 new inspectors receiving certification and more than 570 inspectors obtaining recertification during FY08.

**Innovations and Efficiencies**

- HEAPR dollars funded 14 acres of new roof that will save DCTC $25,000 annually in energy costs.
- The college’s new, privately funded greenhouse will save $3,000 annually in natural gas costs and operates on a computerized energy management system that reduces energy consumption by 50 percent.

**INTEGRATED PLANNING**

- The Higher Learning Commission will visit DCTC for its reaffirmation of accreditation in 2010. The college will use the results of that visit, as well as input from stakeholders and Minnesota State Colleges and Universities system strategic directions, to guide its strategic planning for 2011-2020.
- Through the proposed renovation of the Transportation and Emerging Technologies area at DCTC, the college will be able to complete a right-sizing process that will improve sustainability and program efficiency efforts.
- All DCTC programs undergo an efficiency review each year that alerts faculty and administration to the need for possible corrections or changes, and faculty and administration agree upon the measures used for the review.

**FUTURES PLANNING**

- DCTC’s greatest concern in the future will be its facilities condition index (FCI) rating. Currently, DCTC’s facilities rank among the lowest in the MnSCU system, which poses a great threat to the college's reputation and recruitment efforts. In order to continue to maintain the kind of quality technical programs needed in today’s economy, the college will need to procure the funding necessary to improve these spaces so that they become the kind of learning environments that students need to be successful.
- DCTC consists of 102 acres owned by MnSCU, as well as 105 acres of leased property that houses its decision driving track and electrical lineworker outdoor training facility. This property is leased from the University of Minnesota Outreach, Research, and Education (UMore) Park, which is a 5,000 acre site surrounding the college. The University of Minnesota is considering several proposal concepts to build a community at UMore, which could include an eco-industrial park, a university-founded research park, or a sustainable community for 30,000 residents. DCTC is working with the University of Minnesota and other partners to further develop these planning concepts.
• The college has begun to work with local city and county government to discuss possibilities for an Institute of Extended Learning, which would specialize in programming designed for older adults. The college sees potential to extend its educational offerings to the generation that is currently approaching retirement age, recently retired, or considering a late career change and has begun work to develop appropriate programs.

• Through the $3.5 million grant awarded to DCTC by the National Science Foundation (NSF), DCTC will take the lead in developing the Midwest Regional Center for Nanotechnology Education, or Nano-Link to serve as a resource and support to colleges in the Midwest. Nano-Link will promote competitiveness and future job growth in industries utilizing the skills of nanoscience technicians, as well as provide other education-related resources to colleges with nanoscience programs.

**RESOURCE DEPLOYMENT**

• Over the past five years, DCTC has improved its instructional efficiency costs by an average of 10 percent each year.

• DCTC’s instructional cost study compares program spending at DCTC to all similar programs through the Minnesota State Colleges and Universities system. From FY03 to FY06, DCTC improved from (-$191,097) to $422,635.

• DCTC has committed to become a carbon-neutral campus through the American College & University Presidents Climate Commitment.

• DCTC’s Customized Training division is entirely self-sufficient and maintains enough revenue and resources to support the college by investing in program development.

Trustee Thiss asked President Thomas about the college’s use of “lean principles,” which focus on quality improvement, standardization, cost reductions and efficiencies in the workplace.

DCTC has been aggressive in ways to become more efficient, President Thomas said. The college has formed a “lean team” and some DCTC representatives are planning to participate in a certification program in Oklahoma. Once they complete the training, they can help spread use of the lean model to other colleges in the system.

Trustee Van Houten said the college’s data profile indicates a high ratio of non-faculty and administrative support to faculty at the college. About 70 percent of the faculty is part-time, he pointed out.

President Thomas said the high ratio is related to DCTC’s large customized training division which generates several million dollars in revenue for the college each year. The college has reinvested these funds, using the money for such things as equipment purchases and remodeling projects. To be successful, the Customized Training division requires a large staff, including
sales and customer support representatives, as well as administrative staff to process registrations and related paperwork.

Chancellor McCormick said he would like to see progress made on acquiring 100 acres near the college site which is now owned by the University of Minnesota. President Thomas said acquiring the land would be a great benefit to the college, especially with its transportation programs.

Vice Chancellor and Chief Financial Officer Laura King said she and President Thomas have met with University of Minnesota officials pertaining to their master plan and she is encouraged that they will incorporate the college’s needs into the plan.

11. Faculty Recognition

Two faculty members have been recognized by prestigious academic bodies for their successful teaching and research one in November 2008 as Professor of the Year by the Carnegie Foundation for the Advancement of Teaching and another earning a Guggenheim Fellowship from the Guggenheim Foundation. Through excellent teaching, service to students and research, their work demonstrably furthers each of the Board’s strategic goals. Both received certificates of award from the Board for their achievements:

- **Eugenia Paulus**, chemistry instructor at North Hennepin Community College, was selected as the United States Community Colleges Professors of the Year. Since the inception of the prestigious U.S. Professor of the Year award in 1981, she was the first professor from any college or university in Minnesota to receive the award at the national level. In April 2008, Dr. Paulus also received the Board of Trustees Award for Excellence in Teaching.

  The U.S. Professors of the Year program salutes the most outstanding undergraduate instructors in the country—those who excel as teachers and influence the lives and careers of their students. It is recognized as one of the most prestigious awards honoring undergraduate teaching, and the only broad, multi-disciplinary award at the national level.

  Criteria for selection include extraordinary dedication to undergraduate teaching as demonstrated by excellence in impact on and involvement with undergraduate students; scholarly approach to teaching and learning; contribution to undergraduate education in the institution, community, and profession; and support from colleagues and current and former undergraduate students.

  North Hennepin Community College President Ann Wynia commended the Board for creating the Excellence in Teaching Awards, which recognize the outstanding achievements of educators such as Dr. Paulus.
Dr. Paulus said the system has many excellent educators who also should be recognized for their accomplishments.

- **Anton Treuer**, associate professor of Ojibwe at Bemidji State University has been awarded a 2008 fellowship from the Guggenheim Foundation to continue his work to develop the first grammar manual of the Ojibwe language. Dr. Treuer is thought to be the first Bemidji State faculty member to receive a Guggenheim Fellowship in the 83-year history of the Fellowships.

Guggenheim Fellows are appointed on the basis of stellar achievement and exceptional promise for continued accomplishment. The timing of the Guggenheim Fellowship is critical for Dr. Treuer's work, since the population of persons fluent in Ojibwe is diminishing.

Dr. Treuer was one of 191 Fellows from the United States and Canada out of 2,615 total applicants and is one of five 2008 Fellows from the state of Minnesota.

Dr. Treuer said he was honored by the Board’s recognition. Although his language project is a challenge, he said he is hopeful about prospects of revitalizing the Ojibwe language. There is a lot at stake, not just for the language and its survival, but also for what it means for basic community health, travel and sovereignty, he said.

Dr. Elizabeth Dunn, Interim Dean for the College of Arts and Sciences at Bemidji State University, said Dr. Treuer’s work is crucial for the Ojibwe people and it is gratifying that he be recognized by the Board for this and his many other accomplishments.

The meeting adjourned at 12:08 pm
Respectfully submitted,
Margie Takash, Recorder
Board of Trustee Members Present:

Academic and Student Affairs Committee: Chair Dan McElroy, Duane Benson, Cheryl Dickson, Jacob Englund and Louise Sundin.

Members Absent: Christine Rice and James Van Houten.

Finance, Facilities and Technology Committee: Chair Thomas Renier, Clarence Hightower, Dan McElroy, Duane Benson, Ruth Grendahl and Scott Thiss

Members Absent: Allyson Lueneburg and James Van Houten.

Other Board Members Present: Terri Thomas

Leadership Council Committee Co-Chairs Present: President Ann Wynia, Senior Vice Chancellor Linda Baer and Vice Chancellor and Chief Financial Officer Laura King

The Minnesota State Colleges and Universities Academic and Student Affairs Committee and Finance, Facilities and Technology Committee held a joint meeting on Feb. 12, 2009, at Wells Fargo Place, 4th Floor, Board Room, 30 East 7th Street in St. Paul. Chair Renier called the session to order at 12:45 pm.

1. Board of Trustees Awards for Excellence in Teaching

The Board of Trustees annually presents Awards for Excellence in Teaching to selected faculty as a way to acknowledge and reward superior teaching and exceptional professional accomplishment.

Senior Vice Chancellor Baer asked Trustees if they felt it would be appropriate to tone down the ceremony this year because of the economy. In the past, the ceremony has been at Minneapolis Community and Technical College and every campus award winner was invited to attend.

Trustees agreed to honor the three top award winners again this year, but without the ceremonial expense. The winners will receive a monetary award and will be formally recognized during an upcoming Board meeting and celebratory lunch.
Trustee Dickson said even if the ceremony is not as lavish as it has been in the past, it is important for the Board to take time to praise and congratulate the award winners for their teaching expertise.

2. **FY 2010-2011 Budget Implications for Strategic Plan**

The System Strategic Plan and annual action plan serves as a primary means for Board Trustees to identify strategic priorities and make allocation decisions.

Initiatives related to Reaching the Underrepresented, increasing students enrolled in Science, Technology Engineering and Mathematics (STEM) programs and supporting regional prosperity by enhancing workforce education and training opportunities are included as areas of emphasis/performance measurement in the 2010 Action plan.

Recent system emphasis on online learning and organizational restructuring to meet future challenges, increase efficiency and remove barriers to innovation are proposed additions to the 2010 Action Plan.

Colleges and universities will be asked to offer feedback on their capacity to advance and respond to action plan priorities in light of current economic challenges. That feedback will be incorporated into the fiscal year 2010 operating budgets that the Board will review and take action on in June or July 2009.

Senior Vice Chancellor Baer said she and Vice Chancellor King think it would be helpful for Trustees to indicate if they have priorities when it comes to strategic plan initiatives, so institutions can take those into consideration when doing budget planning.

Presidents would appreciate such feedback, or at least some affirmation that it will be acceptable to make adjustments to the achievement expected on action plan goals, President Wynia said.

Trustee Dickson said presidents should not be expected to do everything while experiencing severe funding cuts. It is understandable if priorities need to be shuffled.

Trustee Hightower agreed. He said if the system is not able to afford to advance goals, then presidents need to be sent the message that they will not be held accountable to standards previously set.

Trustee Renier said determining priorities may be difficult since the Board does not have a thorough understanding of the relative monetary implications that advancing these priorities would have on institutional operating budgets.
Vice Chancellor King said rather than abandoning goals, it may be an issue of pace. Achievement of some goals may not be at the pace previously expected, and some goals now may receive more attention that others.

Trustee McElroy agreed with that sentiment. He said the system should continue to promote a strategic plan, even thought the economy may cause a change in that direction.

Trustee Thiss asked if advancing the action plan priorities will force institutions to stop doing other things.

Senior Vice Chancellor Baer said that is possible, since many of the goals have budget implications. Enhancing e-learning or promoting efforts to reach the under-represented, for example, would require financial investments.

President Wynia asked about core mission and organization integrity. She said at her campus there is not a lot of “fluff” left in the budget. Will there be relief in the areas of core mission or organization integrity if attention needs to be given to strategic goals?

Chair McElroy said maintaining organizational integrity doesn’t necessarily mean maintaining the status quo. Institutions can still meet core missions and maintain organizational integrity, but it may require changes in the way services are provided.

Trustees said they would be comfortable with receiving initial budget documents that offer basic information on how the attainment of identified action plan goals at each institution will be affected by tight economic conditions. It was agreed that it would be beneficial if presidents could indicate what they may have to stop doing if priority is given to making progress on goals.

Responding to a request by Trustee Hightower, Vice Chancellor King said she would provide information on the overall direction the system is moving on the strategic plan.

The meeting adjourned at 1:23 pm
Respectfully submitted,
Margie Takash, Recorder
## MINNESOTA STATE COLLEGES AND UNIVERSITIES
## BOARD OF TRUSTEES

### Agenda Item Summary Sheet

**Committee:** Academic and Student Affairs  
**Date of Meeting:** March 18, 2009

**Agenda Item:** Academic and Student Affairs Update

- [ ] Proposed Policy Change
- [ ] Approvals Required by Policy
- [x] Other Approvals
- [ ] Monitoring

- [x] Information

**Explain reason for item to go before the Board:**
The purpose of this item is to provide an update of Academic and Student Affairs activities since the January 2009 meeting.

**Presenter:**
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs
Committee: Academic and Student Affairs          Date of Meeting: March 18, 2009

Agenda Item: Workforce of the Future: Leadership Reaches Out to Business

- Proposed Policy Change
- Approvals Required by Policy
- Other Approvals
- Monitoring

X Information

Cite policy requirement, or explain why item is on the Board agenda:

This report of the system’s leadership business visits will provide background information for the Board of Trustees as they consider the FY10 Action Plan and future strategic plans.

Scheduled Presenter(s):

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:

Based on visits to over 350 Minnesota business leaders by the system’s 32 presidents, chancellor, senior vice chancellor and three vice chancellors, this report provides an overview of what companies report as their competitive advantage and the system’s role in enhancing the prosperity of the state’s economy through education and training.
BACKGROUND

Leadership Reaches Out to Business is one of four initiatives of Workforce of the Future, a part of the FY09 Action Plan for the system. A report of the leadership business visits is attached. A brief update on the four initiatives of Workforce of the Future in FY09 is provided below:

1. Leadership Reaches Out to Business
From July 2008 to January 2009, Minnesota State college and university presidents and other system leaders each conducted high-level visits on behalf of the system to ten or more private sector companies in Minnesota to learn about their competitive advantage and the system’s role in enhancing the prosperity of the state’s citizens through education and training. A report of these visits is attached.

2. Business Response System
A 1-800 telephone number for business inquiries and requests for training was implemented as part of the Online Support Center in Perham, Minnesota. Supported by a new Web presence, operators in the call center provide both telephone and on-line support, a frequently-asked-question site, access to 32 college and university business and industry outreach offices and promotion of the system’s programs and centers of excellence.

3. Connecting with Business – Public Relations
The new business publication “Open for Business: Your Guide to Training, Education and Business Services” was published in November, 2008. Distribution included “bundling” the brochure with two magazines Minnesota Business and Twin Cities Business Monthly; mailings to members of the State Chamber of Commerce and state human resource directors; and ads in Enterprise Minnesota and other magazines.

4. Leveraging Partnerships and Promoting Innovation
Funded by the McKnight Foundation, this project is a partnership with the Greater Metropolitan Workforce Council, the Metro Alliance for Customized and Continuing Education (MACCE) and the Office of the Chancellor to deepen manufacturing industry employers’ understanding of the programs, coursework, certifications and services available to them and their employees.
“There are four levels of an excellent employee - becoming ‘product knowledge giant’ to becoming a ‘doctor of human relations’ to a ‘master innovator’ to a ‘minute miser’.

Employees learn early on to ask and answer, ‘What does good look like?’ Employee satisfaction comes from understanding their impact on the company and the ownership in their jobs.”

Manufacturing business leader
Leadership Reaches Out to Business

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Section 6 – Recommendations

Section 7 – Conclusion
Leadership Reaches Out to Business

From July 2008 to January 2009, Minnesota State College and Universities System presidents and other system leaders each conducted high-level visits to ten or more private sector companies in Minnesota to learn about their competitive advantage and the system’s role in enhancing the prosperity of the state’s citizens through education and training.

The purpose of these visits to business was to consider the following:

- Extend the outreach of the system’s institutions to understand both economic and workforce needs of the state’s employers;
- Provide responsive education programs, services, applied research and customized training solutions statewide to meet these needs;
- Create a synergy between college or university leaders and business leaders in the region and state; and
- Standardize a methodology to transcribe and interpret input from business leaders for future systemwide planning and initiatives.

What did we hope to learn by reaching out to businesses? Why does higher education need to understand the competitive advantage of Minnesota businesses? Simply put, competitive advantage is how a firm generates greater sales or profit margins or retains more customers than its competition. There can be many types of competitive advantage, including a firm's cost structure, product offerings, distribution network and customer support. In Minnesota, education and training have been identified as one of the key drivers of competitive advantage. With industries changing so quickly, higher education’s partnership with Minnesota businesses requires constant attention and coordinated action.

Leadership Reaches Out to Business is one of four initiatives that comprise “Workforce of the Future,” an initiative of the system’s 2009 Action Plan. This report provides information on the major themes, secondary themes and recommendations which emerged from interviews with 352 Minnesota business leaders in fall 2008. Employers were asked to address the following questions during each visit:

1. **What niche of the industry is your company in? What do you think contributes to your company’s success or strengths? What competitive advantage do you have over other firms in this industry?**

2. **Why is your firm located in Minnesota or this region in particular? Are there ways we can help you grow in this area or do you see barriers to growth?**

3. **What skills are you seeking in the people you hire? Are there skills current employees need to develop?**

4. **What will your business look like in 2020? Can you anticipate what skills employees will need in the future? What can the Minnesota State Colleges and Universities system do to support you?**
Research Findings

A qualitative analysis of interview data was conducted whereby researchers synthesized business leader responses to questions about company strengths and competitive advantage, the value of a Minnesota location, barriers to growth, and skills and competencies of the current and future workforce.

Quantitative data reflect the number of times a theme was noted in the 352 interviews as reported by system office or institutional leaders. Information in quotation marks reflects statements from business leaders as reported by college and university administrators who participated in the visits and are not direct quotes from individual interviewees.

352 business leader interviews representing a cross-section of Minnesota industries are identified below. The views of a select number of organized labor and government leaders are reflected in this report.

![Business visits by industry](chart)

Most of the visits (62 percent) were conducted in businesses located in outstate Minnesota, either in rural locations or mid-sized cities. The remaining visits were in the Twin Cities metro-area. These locations reflect the geographic distribution of the colleges and universities in the state.

![Business locations](chart)
Section 1 - Company Strengths and Competitive Advantages

Business leaders were asked to identify what contributes to their companies’ strengths as well as what they view their competitive advantage to be over other firms in the industry. Three main themes emerged:

- **Business-specific indicators**;
- **Intellectual capital of the workforce**; and
- **Customer-focused products and services**.

**Business-specific indicators** included comments from leaders that were specific to their companies. Examples of company strengths included quality-certified products or services, company location, financial security, company investment in technology, research and development, the operational efficiency of the company, and the length of time in business.

Business leaders frequently talked about the **intellectual capital of the workforce** as a key to their competitive advantage. Innovation, entrepreneurial spirit, creativity and flexible thinking were cited as strengths in their workforce. Company leaders also talked about their focus on “talent development” and the competitive advantage created by having a technologically competent workforce.

“Our success lies with the great skills of our people. The values and attitudes are so important that in the future we will hire for attitude and train for skills.” (energy company)

**Customer-focused products and services** included comments about service-orientation for the customer and the customization of products. When describing competitive advantage, relationship-building and long-term relationships with customers were common themes shared by the business leaders. “We have built our business on a culture of ‘customer intimacy’ and team-oriented entrepreneurship.” (manufacturing company)

“Innovation is an on-going effort of the company and the capacity to solve customer problems is a key aspect of the company’s competitive advantage.” (international manufacturing company)
Section 2 – Value of Minnesota Location

When business leaders were asked why their business was located in Minnesota, the following three main themes emerged from the data:

- Connections to the region or state;
- Availability of an educated and skilled workforce; and
- Quality of life.

“We consider the community to be an excellent place to raise a family.”

When sharing information on why their company is located in Minnesota, the most common responses were the company selected their current location based on the knowledge of the employees who live in the region; the company’s founder is originally from the area; and the company ownership liked the locale. Leaders often spoke of valuing work-ethic and appreciating access to higher education.

“Why Minnesota? People have a good work ethic, strong educational background and support, and are hard-working.” (manufacturing company)

Section 3 – Barriers to Growth

Business leaders overwhelmingly identified the lack of availability of an educated and skilled workforce as the primary barrier to growth. Manufacturing companies specifically noted the shortage of qualified employees with skills in blueprint reading, computerized numerical control manufacturing, welding and basic math. Healthcare companies shared concerns about shortages of employees in critical fields such as primary care physicians, nurses and technicians.

Common themes that emerged as barriers to growth included difficulty in attracting qualified engineers (both mechanical and electrical); the need for stronger business analyst skills in information technology employees; and the need to hire people with quality management knowledge and experience.

A concern was expressed with the need to educate current and future employees for a future we are unable to determine. This concern challenges higher education to become more nimble and responsive to the future needs of business and industry.

“It is difficult to find a qualified, technological workforce, especially engineers.”

(manufacturing company)
Section 4 – Skills and Competencies for the Future

When asked about the skills employers seek in new employees, three themes emerged. Business leaders spoke overwhelmingly of the need for:

- technology skills;
- business-critical “soft” skills; and
- skills that reflect changes resulting from emerging business practices, such as using “green” products and responding to global competition.

Most employers were not able to distinguish between a need for these skills now compared with the future (2020) other than to indicate that these skills are important to their company’s future success and that over time such skills will become increasingly valuable in spite of the recent of downturn in the economy.

Theme 1: Advances in technology

While business leaders occasionally mentioned computer literacy, they more frequently emphasized that personal computing is only the beginning of a life-long continuum of technology learning for students and workers. Business leaders reported that work environments increasingly will rely on technology for manufacturing processes using robotics and automation, medical record keeping, managing financial systems, customer marketing and sales through e-commerce, agricultural production and new construction methods using “green” materials. Individuals with the skills to manage IT infrastructure in a business environment are and will continue to be in particular demand.

Focus on manufacturing:

With one-half of the visits conducted with manufacturing and engineering firms, many business leaders described their employment needs in terms of specific occupations – welders, fluid power mechanics, electronic technicians, computer numerical controlled (CNC) machinists, designers, fabricators, maintenance – in addition to specific technical skills, such as drafting, blue print reading, computer-aided design, test measurement, manufacturing costing, statistical process control and other manufacturing skills.

The clear message from nearly every manufacturer was the need for a more highly skilled technical workforce. Employers did not report a need for “general laborers.” Instead, they consistently reported a need for “a broad level of technical understanding,” “technical literacy to perform quality,” “a qualified, technological workforce,” “comprehensive technical skills,” and “employees [who] will be able to leverage technology.” More than 50 manufacturing employers specifically mentioned the need for employees trained in automated systems and robotic controls.

In addition to identifying the need for engineers in specialized fields such as metallurgy, industrial design, civil or field, software, chemical, electronic systems and mechanical, business leaders also described skills that are particularly useful in today’s environment.
Among the skills mentioned were project management, quality control, testing, systems knowledge, design and innovation.

In the fields of engineering and design, the following quotes reflect the views of many business leaders who must compete in today’s manufacturing market:

“We hire about 30 college graduates a year, mostly engineers. About half of our managers are civil engineers. But our business is based more on the relationships we build than on the specialized engineering knowledge of our engineers. We are more interested in soft skills or people skills. Our engineers do not do specialized engineering work. We outsource that. We want engineers who are extroverted and can engage people - fundamentally, people who are energized by talking with others, not people who are drained by it.”

“We need people with intellectual curiosity who can think out-of-the box. The engineers we hire have to be able to innovate because each new product application brings new challenges that have to be overcome. We don't produce thousands of a standard product rather each one is uniquely different and serves a unique application so our engineering staff really has to have the desire to push the envelop of technology. There is no status quo here at our company.”

**Theme 2: Business critical “soft” skills**

Business leaders are redefining “soft skills.” Employers describe the importance of high-level skills involving customer relations, innovation, flexibility, adaptability and teamwork as vital to the future of their businesses.

**Customer relations:** Employers described numerous skills needed to work effectively with customers: responsiveness; willingness and ability to solve problems (customer empathy); ability to build relationships; communication skills; sales experience (knowledge of the company’s products); integrity, honesty and trust; conflict resolution skills; and creativity in working with customers and their needs.

**Innovation and creativity:** Employers speak about innovation and creativity in terms of: product development; continuous improvement of processes; new models of [health] care; integration of [information] technology; understanding areas outside of one’s professional discipline; and research and development as critical to their business.

**Flexibility and adaptability:** Closely related to innovation, employers underscored the importance of “learning agility” – the willingness to learn and keep up with change; being “energized by change and transformation”; and the flexibility to adapt and maintain an “entrepreneurial edge.”

**Teamwork:** This skill was described by employers in three ways: leadership in building “team-orientation” for company success; project management skills; and interpersonal skills to be effective in a collaborative work environment.
Theme 3: Emerging workplace competencies

Today’s workplace involves new areas of knowledge for many employees. Business leaders cite a need for employees who have management and leadership skills, understand fundamental business principles in finance and accounting, can implement “lean” or quality improvement processes and understand the importance of the global market. The following chart illustrates the number of times these skills were mentioned during visits with business leaders:

![Emerging workplace competencies chart]

Nearly one-third of business leaders mentioned skills related to quality and efficiency in operations (e.g., “lean” practices). While the number of comments reflects the large number of manufacturing firms in the sample, healthcare providers and financial services companies were just as likely to mention the need to provide quality products or services that are delivered efficiently. Business leaders described these skills with an equal emphasis on knowledge of lean principles, attentiveness to efficiency in operations and knowledge of product quality and improvement.

When business leaders discussed management, supervision or leadership, they expected employees to have the following skills: conflict management, employee development (working with apprentices, mentoring and coaching), performance reviews, communication skills and the ability to deal with change. Some employers described these skills with personal attributes, such as ethics, integrity, “well-centered,” grounded or having an action-orientation or decision-making ability.

Other business leaders discussed skills that were essential for managing teams or leading projects such as timeliness, organization, strategic planning, cost control and contingency planning. Typical quotes are, “We need our supervisors to build teamwork,” or we look for “the ability to listen to the ideas of employees and to follow-through with them to implementation.”
A few employers mentioned specific management or leadership programs such as Stephen Covey’s *Seven Habits of Highly Effective People*, Quint Studor’s *Hardwiring Excellence, Training Within Industry* or TWI (a learn-by-doing approach that teaches skills for supervisors and team leaders), “management accountability programs” and “credentialing” of management skills.

When referring to **general business skills**, more than half of the business leaders specifically mentioned **finance and accounting** skills. Other employers mentioned marketing, sales or other general business principles, particularly in the areas of **e-commerce**, internet sales, customer service and using technology for “personalized” marketing.

When describing **global understanding or international experience**, business leaders mentioned the following skills: global awareness or perspective; language skills; managing remote teams; understanding different learning styles; customer service in a global marketplace; experience living or studying in a foreign country; and international business skills. Quite a number of business leaders expressed an interest in partnering with educational institutions to learn where students are studying abroad because they see global markets as a growth area in the future.

**Diversity skills** often were described in the same way as global understanding. Employers are looking for employees who reflect customer diversity; employees who understand and work well with other cultures or different generations; opportunities to recruit a diverse workforce; and people who speak languages other than English.

**“Green” skills** were most often mentioned by energy firms where education and training for sustainable energy production is gaining momentum. Other companies mentioned the need for employees with knowledge of renewable products or alternative energy sources and how recycling practices and “green” products cut costs and are energy efficient.

> “Minnesota needs 3,500 towers in the next 16 years, so we need to accelerate the training in your wind energy programs. We need one maintenance worker for every four towers, not including related workers for supply. Hearty attitudes and physical abilities, and a willingness to work in inclimate conditions at any time of the day or night. The energy field is evolving, so we need people who are trainable for change.” (energy company)

**Secondary Themes:**

The following two charts reflect secondary themes on academic skills and personal effectiveness mentioned by business leaders. It is clear that a close intersection exists between **verbal communication, interpersonal skills** and the value employers place on **customer relations**.

Business leaders also value employees who are **willing to learn or change**. Notably, only 13 employers identified the importance of prior experience, but 128 mentioned the role that **on-the-job training, internships or apprenticeships** play in assuring a skilled workforce for
the future. Given the rapid pace in technology advances noted by many business leaders, it is evident they place a premium on employees who are engaged participants in formal company training and are willing to adapt to changing business needs.

Select quotes:

“We need people who have an intellectual curiosity to **develop innovative new ways** to apply our proven technology for new applications. They need to have excellent **problem solving** skills and a desire to **reduce costs** through innovation.” (precision manufacturer)

“Like the others, he said **adaptability** is critical to the industry and framed it like this: ‘I may know what I want, but I’m not sure how to get it’.” (energy company)

“[Our employees in] the company are allowed to ‘play without penalty’. They have the freedom to try new things without fear of failure. They are able to budget for **innovation**...” (agricultural - food production company)

“On the product development side, we are looking for project engineers who have a high level of technical skill, but who can also **manage projects** and increase sales by adding value. Technical skills are the fundamentals for designing for value. We also want engineers who **add value to our customers’ products**. That is, we want employees who have the ability to think and understand the business of our customers so that they can make improved products to better meet their needs.” (engineering services company)
Section 5 – Preparing the 2020 Workforce

When asked about the future of their business in 2020, many business leaders indicated they do not plan that far in advance (a one to two-year business planning cycle often was mentioned). Many leaders reiterated that they expect the skills identified in current hiring practices and skills they develop internally as the skills that will be needed predominately in the future.

Employers who ventured into 2020 mentioned they see the success of their business as tied to growth in international markets and value employees with global awareness. Yet, many companies expressed concern over financial pressures that may limit growth. It is reasonable to assume that employers will seek employees skilled in financial analysis or accounting and who can implement business practices that promote efficiency and quality in operations and product development.

“Workers in the future will need even more interpersonal skills and a deeper understanding of budget, finance and technology—and MnSCU should focus on producing graduates with this type of broader span of knowledge. Campuses should also do a better job of providing information to business about their offerings and build strong connections to their local business community.” (retail company)

Section 6 – Recommendations

The following four recommendations are a beginning point for a broader conversation among constituents of the Minnesota State Colleges and Universities system – institution leadership and faculty, the Board of Trustees, Office of the Chancellor staff, and business, labor and government partners – in response to the needs of Minnesota businesses.

Recommendation 1: College and university follow-up from visits.

Approximately half of the business leaders indicated they are interested in continuing or renewing relationships with their local college or university. College and university presidents should strongly consider continuing to visit local businesses to follow trends in employment and the need for skills identified in this report. Among the many opportunities business leaders recommended were:

- offers for college or university leaders to participate in business-led councils;
- suggestions for assisting partnerships between secondary and post-secondary education on career information and technical education;
- mentoring or coaching students;
- access to business-owned equipment or facilities;
- customized training opportunities;
- interest in research partnerships;
• offers to participate on college or university advisory councils or centers of excellence; and
• opportunities to promote education and training to company employees, among many others.

“[The company] offered to speak to anyone about industry and curriculum requirements. Their district manager is very involved and committed to staff development and recruitment.” (construction company)

**Recommendation 2: Focus on internships, apprenticeships, and on-the-job training.**

As noted earlier, over one-third of business leaders mentioned a strong commitment to internal employee development through either on-the-job training, apprenticeships or internships. Businesses leaders see talent development as a competitive advantage and a critical factor in the future success of their company. Colleges and universities should see local business and industry as partners in educational delivery and explore opportunities to assist students in understanding that businesses deeply value the personal attribute of “willingness to learn and change.”

“[The university] has had a number of professors and students from engineering and college of business visit the company. They want to continue to work with the university and would like to bring in interns from the marketing area. Career services will follow up with expanding their internship program.” (stone manufacturing company)

**Recommendation 3: Education program delivery: experiential learning and on-line.**

Closely aligned with the recommendation above, business leaders stressed the importance of flexible delivery. The following statement is representative of business leaders’ perspective on educational program delivery which has particular implications for customized training and continuing education:

“MnSCU schools can help us now and in the future with adaptability, flexibility of programs, certifications, online learning certifications and providing the student with enough education (however many credits that takes) to meet the industry standards for employment.” (telecommunications company)

While some might assert that difficult financial circumstances preclude employers from exploring training opportunities, one employer indicated he may move employees to less than full-time status so they may pursue retraining opportunities at the local college.

**Recommendation 4: Skills for the future.**

As described in the report, three themes emerged for future skill development: technology skills; business-critical “soft” skills; and skills that reflect changes resulting from emerging business practices, such as using “green” products and responding to global competition. It
is recommended that faculty look carefully at curricular areas that could be strengthened to reflect these emerging skill needs of employers. In addition, these skill areas may have implications for several areas across the system, such as the following:

- the Minnesota Transfer Curriculum;
- liberal arts requirements for associate’s and bachelor’s degrees;
- new certificates at both the undergraduate and graduate levels;
- study abroad programs;
- technical education financing and support;
- specific curriculum areas in business and information technology;
- programs of study as required by the Carl D. Perkins Vocational and Technical Education Act of 2006; and
- faculty professional development.

Section 7 – Conclusion

While business leaders provided specific advice for the Minnesota State Colleges and Universities system, many expressed gratitude and satisfaction with their relationship(s) with local colleges and universities. These quotes reflect comments made by business leaders:

“Our relationship with the college over the past decade has been improving. The college is responsive, particularly the nursing department. One of the defining elements of the current college administration is that leadership is more customer-focused and demonstrating greater public involvement.” (healthcare provider)

“Our relationship with the college is very important. We have grown from 35 people to approximately 80 people in the last four years. About 30 percent of our employees are the college’s graduates.” (robotics manufacturer)

“We have been very happy with the college’s greater efforts to reach out to the business community. We use the college for our safety training and have been very satisfied with the ease of scheduling and responsiveness. It feels like the technical college of old. We feel like we are part of a college system.” (packaging manufacturer)

Presidents and administrative leaders involved in the visits also reported they appreciated the opportunity connect with employers and expressed an interest in continuing to reach out to business.

This report will be shared broadly with chief academic officers, business and industry outreach administrators, advancement staff and business and industry partners of the Minnesota State Colleges and Universities system. We welcome feedback and suggestions.
Finally, we would like to thank all of the participants in the visits, including business leaders and their associates, college and university presidents, business and industry outreach staff, system leadership, and any others who participated. A special thank you to those who took the time to enter data for analysis.

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Cite policy requirement, or explain why item is on the Board agenda:

The Chair of the Academic and Student Affairs Committee requested that this topic be added to the March 2009 meeting agenda.

Scheduled Presenter(s):

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs
Manuel M. López, Associate Vice Chancellor for Academic Program Quality

Outline of Key Points/Policy Issues:

Multiple methods are used to manage academic programs. Policy 3.36 – Academic Programs requires state colleges and universities to review all academic programs and departments on a regular basis and report a summary of the program activity to the chancellor. Additionally, the chancellor may conduct state or regional studies of academic programs or program clusters. This Policy also sets criteria for the approval of academic programs.

Background Information:

The inventory of academic programs is dynamic. Special studies, routine reviews and coordinated development and delivery efforts help academic programs respond to student interests and employment openings.
OVERVIEW OF ACADEMIC PROGRAM REVIEW

BACKGROUND

The inventory of academic programs is dynamic. Special studies, routine reviews and coordinated development and delivery efforts help academic programs respond to student interests and employment openings.

State colleges and universities plan new programs, update academic program curriculum, and make other changes based on periodic program reviews. Annually, we average over 1,000 changes to the system’s program inventory. Changes include program closures and suspensions, the addition of new programs or movement of existing programs to new locations, the addition or deletion of program emphases and other changes such as a change to a program’s credit length or its name.

At the request of the Chair of the Academic and Student Affairs Committee, the process is being brought to the Committee to provide a framework for pending system and Board actions.
1. **The Board of Trustees**
   
   a. Within the Minnesota State Colleges and Universities the Board of Trustees has **set policies** on academic program review and approval.
   
   b. Through Board of Trustees Educational Policy 3.36 Academic Programs, the Board
      
      i. Requires approval of the chancellor for new academic programs, changes to existing academic programs, suspension of academic programs, and closure of academic programs at system colleges and universities
      
      ii. Requires that each system college and university regularly review its academic programs for the purpose of academic planning and improvement
      
      iii. Allows the chancellor, as appropriate, to conduct statewide or regional reviews of academic programs or program clusters, report findings to the Board of Trustees and, when necessary, impose conditions on academic programs.
   
   c. The Board has the responsibility to ensure that institutions have a “clean academic audit” through the accreditation process [from Peter Ewell’s June 2007 presentation to Board of Trustees]
      
      i. The Board of Trustees, as needed, may delegate statewide or regional academic program (or program clusters) audits to the Office of Internal Auditing.

2. **Office of the Chancellor**: on behalf of the Board the Office of the Chancellor
   
   a. Implements Educational Policy 3.36 Academic Programs and the attendant procedure
   
   b. Receives and posts annual summary of institutional academic program review activity [Please see [http://www.academicaffairs.mnscu.edu/programreview/](http://www.academicaffairs.mnscu.edu/programreview/) for most recent summaries].

3. **The Role of the Institutions**
   
   a. Each system college and university shall regularly review its academic programs for the purpose of academic planning and improvement.
   
   b. The program review process begins with a program self-study by the faculty involved in the program under guidelines that are approved by the institution.
   
   c. The program approval process begins with standardized proposal forms, approval criteria, a set of common questions to be addressed in the proposals and a set of financial guidelines. A market study or needs assessment for the proposed program is also required. [Forms and guidelines are available online]. The completed new program proposals are sent to the central office for review.

**Conclusions:** Within the Minnesota State Colleges and Universities the

- Board of Trustees **sets policies** on academic program review and approval
- The Chancellor is accountable to the Board of Trustees for **implementation** of these policies
- The Senior Vice Chancellor for Academic and Student Affairs is accountable to the Chancellor, from whom she receives delegated authority, for the **management** of the day-to-day program approval and review processes.
- The institutions conduct, on a systematic basis, program development and program review.
- Accreditation (both institutional and specialized/programmatic) validates the processes by an independent third party on a systematic timeline.