September 10, 2020

MEMORANDUM

TO: Michael Bruno  
Provost

FROM: V. Vance Roley  
Dean and First Hawaiian Bank Chair of Leadership and Management

SUBJECT: Response to Budget Discussion Recommendations

Thank you for the opportunity to respond to your draft budget recommendations. Please see our comments below.

- Comments on: “Revisit decision to remove graduate programs from the Graduate Division”
  - Shidler’s Master’s programs moved from the Graduate Division in 2012 at our request. The Doctoral programs remains in the Graduate Division.
  - Other professional schools on the UH Mānoa campus also do not run their programs through the Graduate Division. Professional schools compete in highly competitive markets and they often require a more customized level of service and timely evaluation of admissions material. The move out of Graduate Division solved two main problems:
    - First, the applications for our MBA applicants had been processed at a slower pace compared to other schools in which these candidates also applied.
    - Second, Graduate Division had challenges in handling admissions into our highly successful Vietnam EMBA program.
  - With our own trained admissions officer, we have addressed these issues successfully.

- Comments on: “Revisit decision to run graduate programs through RCUH”
  - Our EMBA, Distance Learning EMBA, Vietnam EMBA, and MHRM programs are typical executive programs offered by many business schools. Business schools do not get significant funds from grants. Rather, business schools raise money through private giving and executive education, and we are no exception.
In 1995, the Shidler College was authorized to run executive programs through RCUH. In a memo dated September 18, 1995, President Mortimer writes: “In parallel, questions were raised whether the charter of RCUH permits this organization from engaging in the servicing of training as opposed to research programs. During the last legislative session, this issue was specifically addressed and the charter of RCUH has been broadened to include programs such as those offered by APCED.” APCED was the Asia-Pacific Center for Executive Development, which is now our Executive Education Center (EEC). Our EMBA program was housed in APCED at the time.

With sufficient enrollments in our executive programs, we generate surpluses at RCUH. We spend these funds from RCUH like other UH Mānoa colleges and schools spend funds from their TFSF allocations. We do this since virtually all of our G and TFSF allocations are used for salaries.

Finally, it may be possible to move our new MS Finance, MS Information Systems, and MS Marketing Management programs out of RCUH at some point in the future. However, because of insufficient faculty numbers, we need to offer these programs on an overload basis through RCUH where we can pay sufficient salaries to attract faculty members.

- If we offered these programs onload, we would need at least another seven faculty members. With the current enrollments, the tuition revenue would be smaller than the additional faculty cost. On an overload basis, we can currently cover our costs.

Comments on: “Develop a hiring plan to address the recommended 60 FTE, per AACSB.”

- This recommendation from the AACSB was made before we launched the new Master’s programs. We would need at least 60 FTE, not counting the TIM School, to offer these programs onload.
- Our most serious faculty shortage is in the TIM School, where we have seven assistant, associate, and full professors. We should have double this number, and we may have some challenges in our upcoming AACSB accreditation visit because of this shortage. In normal times, the TIM School graduates students for the largest industry in Hawaii, and one of the largest in the world. This is also a growth industry worldwide. The TIM School also has the highest SSH/faculty ratio of any unit at UH Mānoa, with the traditional Shidler units second.

Comments on: “Work with HR to develop salary thresholds for Business Faculty.”

- We agree that salary thresholds should be established like the other professional units.
- We benchmark our salaries frequently using the data reported by AACSB accredited business schools. We typically benchmark versus three groups: UH peers, 89 public business schools with doctoral programs, and the top 21 public business schools.
• Comments on: “Stop-out admission to the MS in Travel Industry Management or modify into a professional master’s program (with Outreach College).
  o We agree, but the faculty would like to consider offering a TIM track in our Global MBA program. We already have designed a TIM track in our Distance Learning EMBA program.
  o Also, the MS TIM degree is a research-based degree. We would like to offer a TIM specialization in our doctoral program. The TIM School is the only quality school in its field in the US without a doctoral program. The research of the TIM School faculty would benefit from a doctoral program.

• Comments on: “Consider whether a BBA in TIM would be more attractive to students in facilitating double majors.”
  o We are in the early stages of considering a double major in TIM for BBA students. We would continue the BS TIM degree.

• Comments on: “Consider revising the undergraduate TIM program to facilitate 2+2 articulation agreements with the UHCCs.”
  o While freshmen enrollment at the TIM School has remained steady over the past 5 years, there has been a decline in enrollment from the UHCCs. We agree that articulation agreements should be explored.

Additional Comments:

1. School of Accountancy,
   a. The recommendation is not clear to us. We already have a significant number of accounting double majors.
   b. Including 3/2 MACC students, we have 46 Master of Accounting Students.

2. Department of Finance
   a. The BBA in Entrepreneurship is offered through the Department of Management and Industrial Relations, not the Department of Finance. Also, it is a stand-alone major. That is, it is not available only as a second major. The only major we have like that is the major in International Business.

3. Department of Information Technology Management
   a. The 85 BBA students are in ITM, not Finance.

4. Department of Management and Industrial Relations
   a. The BBA in Entrepreneurship is a stand-alone major not offered in collaboration with the Department of Finance.