

JACA  
2(1996):124-136

# **A Description of Merger Applied to the Montana State University Context**

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**M**ERGERS have become a common response strategy in higher education nationally as support for education has dwindled. In Arizona, Montana, New Jersey, New York, Oregon, Washington and elsewhere, merger and program elimination are a fact of life. In the Communication discipline programs are being combined with other disciplines, cut back and eliminated. The specter of institutional merger evokes both fear and hope in the hearts of those about to be merged. These disparate views on the nature of merger depend upon the perspective from which this process is defined. From political and administrative points of view, descriptions of merger tend to be at least neutral, if not positive, in tone. Historically, from this perspective merger has been described as a combining of two or more institutions into a single organization (Gaff and associates, 1970). Similarly, Humpal (1971) defines merger as "an event of organizational change wherein the object of change is to create one system from two previously distinct entities" (p. 103).

More recently, Cannon (1983) presents a complex picture of merger as dependent upon context. A merger can involve voluntary cooperation of two institutions which make informal reciprocal agreements. This might involve an informal arrangement where unnecessary duplication is avoided by allowing students from two separate universities to take courses on both campuses. In another situation, merger might involve a formal sharing of programs, services, facilities, students and staff. Here, there is a formal arrangement where institutions share the responsibility for a program(s). Merger may also involve federations with sub-colleges or federated colleges which usually feature formally shared resources and a shared board of governance. For example, Dr. Jeff Baker, the Montana Commissioner of Education, reports that administrative merger means the sharing of a president and other administrative personnel between two institutions. The integrity of both merged institutions' purposes and support functions is maintained (Baker, 1994, p. 2).

The most complete form of merger presented by Cannon involves a joining together where identity is lost through absorption and consolidation using an amalgamation of charters, faculty, administration and structure. Again, the Montana Commissioner of Higher Education notes that

Merger is the fusion or absorption of one institution into another with the result that the merged institution ceases to have an independent existence. A merged institution may retain, at the discretion of the Regents, certain elements of the unique role and mission which characterized it prior to merger (Baker, 1994, p. 4).

Merger described from both business contexts and a faculty perspective tends to take on this more negative tone, often couched in Weberian notions of bureaucracy. Majaro (1972) states that managers often describe mergers and acquisitions interchangeably. Majaro notes that while these two terms suggest union between equal parties, many managers believe that in practice there never are mergers of equals. What actually happens is that the stronger organization always acquires and dominates the weaker. In this vein, Cannon (1983) presents merger in the business context as an acquisition where the weaker organization loses its identity. In the academic arena, authors such as Bugliarello and Urrows (1976) and Chambers (1981) use terms such as "buyout", "takeover", "shotgun wedding", "consolidation", "interlocking corporations", "hostile takeover" and "holding company" to describe educational mergers.

### *Why Merge?*

There are a number of major reasons for considering merger. Probably, primary among these is financial difficulty. Merger has been described as a way to cut administrative costs (Grassmuck, 1991); decrease academic costs by sharing programs and avoiding redundancy (Curtis and Rampal, 1991; Grassmuck, 1990a; Ternent, 1984); cut support costs (Grassmuck, 1990b); provide for institutional security and stability (Barr, 1984, 1985); manage declining enrollments (Anapol, 1984); avoid closing a unit of a system (Sommervill, 1983; Mingle, 1981); increase efficiency (Bridgman, 1987); improve budget flexibility (Sommervill, 1983); and downsize, rightsize, do more with less, and generally save money (Barr, 1985).

Other more subtle financial reasons for merging include retaining institutional freedom and autonomy (Mingle, 1981); managing the tension among cost, quality and access (Mingle, 1993); maintaining program offerings (Barr, 1984); sharing resources such as computer capabilities, compressed video, libraries, etc. (Barr, 1984); being accountable (Bridgman, 1987); and buying because it is cheaper than building (Drucker, 1981).

There are also programmatic justifications presented for merger. Grassmuck (1990a) suggests that merger may be a way to focus on undergraduate education. Barr (1984) looks at merger as a way to expand opportunities for students and to pursue academic excellence. Grassmuck (1990a) points out that merger provides an opportunity for globalization of curriculum, perhaps ending confusion concerning requirements and transferring between institutions. On occasion, student demand or lack of demand, and the corresponding need to reassign faculty to high demand courses, may be a reason for merger (Somervill, 1983). Somervill suggests that merger may be considered as a method of pooling resources to achieve some sort of accreditation. Mingle (1993) notes that merger may be used for enrollment management purposes through providing additional seats in popular programs at a merged campus.

In this era of accountability, merger may also be attempted for political reasons. Merger can be a way to gain public backing for higher education (Bridgman, 1987). Frequently, the cost savings, efficiency, and greater access to higher education potentially available through

merger are presented to the voters to gain their confidence and support. Less charitably, such as in the current New Jersey situation, the governor is advocating merger and cost cutting for personal political gain (Gorman, 1994).

Merger can also be presented as a way to gain or regain control of a relatively autonomous system (Somervill, 1983). Centralization and formalization are often priorities for Boards of Directors, Commissioners, Governors, etc. These processes are seen as ways to gain the power necessary to uniformly direct the system. It is also sometimes suggested that merger is a way to flatten the hierarchy to improve the system's efficiency or responsiveness (Baker, 1993b). Thompson (1994) has recently noted that this flattening may actually increase centralization of power by eliminating much of the dialectical tension created by a diverse middle management.

In addition, merger is occasionally offered as a way to improve faculty performance. Barr (1985) states that merger can be a method of revitalizing faculty. With new duties, training, involvement may come new commitment to one's discipline as well as the institution. Also, Barr (1984) notes that merger may be a way of avoiding over dependence upon part time faculty.

One other reason for merging may involve poor leadership. Merger can be a viable way of eliminating administrative positions in institutions with a history of inadequate leadership. For example, if the institution to be merged is in crisis because of low enrollment and/or lack of fiscal resources, combining it with a stronger unit with viable leadership may save the institution from unnecessary difficulty or even closing. It could also be that institutional leadership lacks vision for a school that has potential for growth. The advent of a managerial class in the American university has clouded the traditional scholarly vision and sense of direction (Rice, 1986). Merging can thus be a method of decreasing bureaucracy, providing direction and realizing potential.

### *Strategies for Merging*

Strategies for merger lie roughly on a continuum of authority. One strategy, often used in business, is completely authority based (Cannon, 1983). A board of directors or top management group creates and directs the implementation of a merger plan. This top-down approach is generally the most efficient, but also tends to generate little commitment and support among organizational members. A second approach involves invited faculty input with managerial control of decision-making (Chambers, 1981). Chambers, presumably writing from a managerial perspective, notes that in this method merger often gets bogged down by the faculty. A third approach is collaborative (Kilmann and Thomas, 1975). Here the constituencies are empowered to state their concerns, listen to each other, and cooperatively develop a merger plan through consensus. Another method involves self-directed work teams (Brightwell & George, 1989; Gaylord & Rogers, 1988). In this method a small central administration and a largely self-directed faculty team jointly develop the merger strategy.

Regardless of the approach or strategy, attempts at merging are very likely to encounter resistance from threatened entities within the organization (Chambers, 1981). Carefully addressing the concerns of resisting organization constituencies is a necessary ingredient for a functional merger. Related to this, it is quite likely that organizational members will adopt a personal, protective response (Yoder, 1984). Faculty, staff and administrators will engage in self-oriented work to remain viable, both in terms of the emerging organization as well as the marketplace. Other self-protective strategies might include networking, forming alliances, and generally becoming more political.

A number of suggestions for coping with this issue have been presented. It is important to start a merger process with studied choice and friendship (Chambers, 1983). Developing a sense of vision or positive direction and generally being proactive facilitates successful

merging (Stainback & Stainback, 1987). It is also essential for merger leadership to be flexible, very visible and specific with organization members (Scott, 1992; Barr, 1985). Chambers (1983) tangentially suggests the possibility of appointing visiting scholars between/among units to facilitate understanding and accurate communication.

### *Issues in Merging*

More generally, a number of issues are liable to surface during the merger process. Initially there is much ambiguity about the nature of the merger which produces anxiety and trauma about losing one's job (Kyriacou, 1993; Barr, 1985; Cannon, 1983; Mingle, 1981). Organization members are uncertain whether to view the merger as an opportunity or a cataclysm (Mingle, 1981). Further, when the merger process is in flux, organization participants develop negative expectations and predictions concerning the merger. Especially when socialization into the new order is inefficient or nonexistent, the organizational climate is prone to becoming defensive and unproductive (Scott, 1992).

Very prominent among these organizational concerns are issues of freedom and fairness. Barr (1984) contends that the weaker organization fears and expects domination by the stronger unit as well as a potential loss of identity. Barr stresses the difficulty for the subordinate institution which results from loss of autonomy. Related to this, Cannon (1983) notes that the acquired organization often dreads loss of status and reputation. There is usually the specter of losing graduate programs and undergraduate majors, as well as the possibility of being downgraded to a community/junior college. In addition, students worry about being denied access to programs (Chambers, 1981). Nontraditional and place-bound students are especially vulnerable to problems associated with decreased program availability and caps on enrollment.

There are also many concerns from a faculty perspective. Morale is low at the weaker institution (Godard, 1981). In a study of eighteen doctoral granting institutions, Somerville (1983) reported that typically faculty numbers are decreased, but at the same time the size of administrative and support staff remains stable. Further, there is the issue of downgrading both work and status (Cannon, 1983). Moving from graduate or upper division undergraduate courses to lower level and general education courses is difficult and diminishes professional status. In addition, if faculty are moved between institutions, a large adaptation may be required to serve new types of students in new courses (Dufresne, 1992; Scott, 1992). Marsh (1986, 1987) presents a "big fish, little pond" analogy. Faculty who are accustomed to being important and respected members of smaller higher educational institutions feel less central in a larger arena. When faculty are reassigned to new courses in a mechanistic way, the fit is often not good (MacVean, 1983). Reassigned instructors may not be qualified or interested in teaching a new subject. Planning, implementing and evaluating new definitions of faculty roles takes time and is a lot of work. This effort tends to cause fears about the devaluation of teaching in evaluation of performance at the smaller institution. This redefinition of roles is usually added on to regular responsibilities, and faculty report being over-committed and exhausted (Gaylord & Rogers, 1988). For example, in Oregon almost all of the good will, energy and creativity of both faculty and administration was expended during a two year merger process. This energy was borrowed from classroom, research and service activities to the detriment of both institutions and the students they served (MacVean, 1983). In sum, there is a dark side to the Japanese notion of kaizen (Parker, 1991), which is similar to Western notions of "constant improvement." In times of decreasing resources, faculty are expected to do more with less. The system is stressed. When people manage to continue to provide the educational services, the expectation for faculty changes. There is more work in terms of visible output, and less time for reading, writing, updating, thinking, etc. If the unit can maintain an appearance of functionality, this process is likely to repeat itself until service becomes clearly inadequate.

Many of these issues can also be applied to administration. Administrators will also have low morale, fear loss or downgrading of job and status, worry about having to move, and have too much work to do. In addition, administrators are expected to be the leaders and protectors, to have some vision, and have all the answers (Gaylord and Rogers, 1988). Where there is a faculty union, there may be difficult contractual issues to be confronted when merging (Brightwell & George, 1989; Barr, 1985). If the merger is forced upon an institution, local administrators, who probably are not committed to the merger, are placed in an awkward position of leading their school through the process. Frequently, governing boards who make these decisions are amateurs or lay persons (Plank, 1990). The potential for lack of thought, care and preparation by these bodies can cause many administrative headaches. Also, merger tends to increase bureaucratic complexity, and distance makes even scheduling of meetings problematic (Barr, 1985; Somervill, 1983).

At a programmatic level basic access issues have already been mentioned. Merger additionally intensifies competition between similar programs at the merging institutions (Thompson, 1985). Merging different academic subjects into a major of convenience to save faculty positions can produce meaningless programs (MacVean, 1983).

There are also political considerations. Barak (1981) writes about the political nature of program review during the merger process. Various constituencies at the institutions involved form unaligned alliances which produce conflict and derail the merger process. Similarly, urban-rural regions of the state, political parties, and legislatures all seek input into or control of the process.

Most of the authors of the forty-four articles for reviewed for this paper view merger negatively. However, some have cited benefits of merger. It is possible that an institution might get a larger budget and/or additional programs through merger (Scott, 1992). Scott further reports that some institutions increase enrollment, which may also lead to increased funding. It is additionally possible to acquire graduate students and thus cut instructional costs, which is perceived by some as a benefit. Scott also points out that access to higher education can actually be improved through merger. Merging can be the least painful way of dealing with a lack of public support for higher education, especially when the alternative is to close an institution (Cannon, 1983). Some fiscal savings may be possible and, at least arguably, an increase in effectiveness achieved (Barr, 1985).

#### *The Eastern Montana College-Montana State University Merger*

Before long many communication administrators will have to get involved in a consideration of merger. The following case is presented to help communication administrators and faculty think complexly about some of the major issues to be confronted in the merger process. The outcome should hopefully be the development of more productive merger processes based upon informed action.

During academic year 93-94 the Board of Regents of the State of Montana voted to reorganize the University System into two administrative units. As part of this process Eastern Montana College became part of Montana State University. Eastern was renamed on July 1, 1994, as Montana State University-Billings. The Billings Vocational Technical Institution was then merged with MSU-Billings, and renamed the College of Technology. It will be critical that everyone involved remains aware of both the destructive and constructive potential of the merger process. Thus, the following comments initially represent perceptions of the plausible negative outcomes related to this transition. The paper concludes with some observations as to where the Montana State University should be heading during this merger process. It should also be noted that the author is a Communication Professor with eighteen years experience at MSU-Billings. This includes five years service as Department Head, and three service as Chief Labor Negotiator for the Faculty Association.

*The Somber Side*

There is considerable debate on campus as to the nature of the merger. These discussions tend to mirror that suggested at the outset of this paper. That is, MSU-Bozeman, the larger institution, seems relatively unaffected by this merger, its President, as well as the Commissioner of Higher Education, speak of equality as well as relative autonomy for the smaller school (MSU-Billings), and reassures the smaller school that resources will not be drained from the smaller campus. Talk on MSU-Billings campus has more of a tone of worry and anxiety about the nature of the merger. One fear commonly expressed concerns the potential for lump-sum funding. This would involve an appropriation from the legislature to the MSU System. Whereas previously there was funding autonomy for each unit, under this approach the MSU-Bozeman administration would be responsible for subsequent distribution to the units within the system. There is great concern at MSU-Billings that financial support will be drained from campus. A related worry involves the potential for elimination of graduate programs as well as redundant undergraduate majors. Closely connected to this possibility is the apprehension that MSU-Billings will be downgraded from a comprehensive institution to a community or junior college. Also, underlying each of these concerns is the fear that jobs will be lost. The Commissioner of Higher Education is foreshadowing this outcome in a written communication (Baker, 1993b). Initially, there was an attempt on campus to balance this negative kind of thinking against the possibilities for growth and enhancement. However, over the past nine months as few positive outcomes have been forthcoming, the faculty mood has become increasingly pessimistic.

In considering Cannon's (1983) merger typology, the merger between MSU-Billings and MSU-Bozeman most closely fits in the federation category of merger at present. There is a formal sharing of resources and an interlocking administrative structure (Baker, 1994). At the same time MSU-Billings has been promised a significant degree of autonomy. One dimension not included in Cannon's scheme is time. The MSU-System is in transition and it remains to be seen how this merger process finally evolves. Max Weber would no doubt predict greater centralization and loss of freedom over time. The situation for the Billings VoTech is more extreme. This institution has been acquired by MSU-Billings as a college of the University, resulting in a loss of identity and autonomy.

This merger has been a top-down affair. The merger plan appears to have been initiated and executed by Governor Marc Racicot as an attempt "to deal with the University System," as promised in his election campaign. With the politically appointed State Board of Regents acquiescing, he has succeeded in politicizing higher education. Although not as reactionary as New Jersey's Governor Whitman actions towards higher education, Governor Racicot wants to be in a position to demonstrate that he is in control of the University System and has effected efficiency and cost savings by the 1996 elections. He evidently perceives that these outcomes will bode well for his re-election bid.

Subsequently, a number of additional reasons for merger have appeared. Clearly financial difficulty is an often voiced basis for reorganization. As a state, Montana is among the lowest in terms of dollars contributed per student. Peer comparisons show that tuition is already relatively high, and the Commissioner of Higher Education reports faculty salaries are the lowest in the nation (Baker, 1993b). Additionally, Montana is confronting a potentially dramatic increase in student population at a time when citizens seem unwilling to increase funding to the University System. Cutting faculty, administrative, physical plant, program, and support staff costs have all been advocated as needed efficiencies to manage the financial problem. Also, sharing programs between institutions as a cost-saving measure has been suggested. The Commissioner of Higher Education has been particularly keen on teaching inter-campus classes using television and interactive technology. In sum, almost all of the financial reasons for merger presented earlier have been advanced as a basis for merger.

A further and related set of reasons for reorganization concern faculty performance and productivity. Faculty are popularly characterized by lay persons, such as the State Budget Director, as unproductive. In some eyes, the need for merger involves a need to get more work out of the faculty and make faculty more accountable. The nature of this additional work appears to be increased teaching rather than scholarship, creative endeavor or service. There is a move to increase teaching loads, reassign faculty to more popular lower division as well as careerist classes, offer incentives for teaching larger classes, engage in outcomes assessment, etc. Of course these moves are having a further negative impact upon the faculty. There is an embarrassing and demoralizing loss of face associated with the review and termination of programs/classes. Further, the required work of faculty which goes into completing this political process is extra work. As in the Oregon case reported earlier in this paper, the available faculty energy and time which should be devoted to scholarship and service are again being used up to accomplish bureaucratic maneuvering. In sum, the negative description of kaizen is very applicable in Montana case. The MSU-System is being stressed. There will be constant pressure to produce even more graduates at the MSU-System factories with greater efficiency or risk the loss of faculty positions.

A final concern here involves local as well as system leadership. The President of MSU-Billings retired in June. A Chancellor has just been hired. The campus has an interim Vice-Chancellor of Academic Affairs, a Fiscal Vice-Chancellor who was hired as a permanent employee in this position twelve months ago, an interim Vice Chancellor for Student Affairs, interim Deans in Education and in Technology, a Dean of Arts and Sciences who is in her second year, and a Dean of Business, who is in his third year. Leadership on campus is not mature. To the faculty there appears to be a cacophony of local administrative voices suggesting many different directions. The MSU-Bozeman administration is in a very strong position to influence the direction of leadership on the MSU-Billings campus.

The nature of the resolution of this leadership vacuum will determine the future of MSU-Billings. What the faculty are demanding from the new Chancellor is the emergence of strong and mature local leadership. In a new context which is clearly more difficult to govern, there must be informed direction and commitment to the campus. MSU-Billings needs leadership to unite to deal with an unwanted merger, to speak with one inspired voice, and to champion the cause of scholarship.

In a similar vein, the current Commissioner of Higher Education is the fifth in the author's eighteen years at MSU-Billings. If the system is to continue with the current system-wide administrative structure, it needs more stability of vision and sense of direction at the top.

In terms of strategies for merging, the Montana case involves Cannon's (1983) authority-based approach. Basically, the merger process, which is still shrouded in mystery and ambiguity is a creation with little faculty input. As a result, there is virtually no energy or commitment to the merger process (see, for example, Curtis and Rampal (1991) as to the importance of this participation). Faculty at MSU-Bozeman seem unconcerned about the merger, and MSU-Billings faculty are simply waiting to react to the next pronouncements concerning the merger. Faculty hear that administrative discussions are underway, and there have been two merger newsletters distributed during the past year, but there is no visible and specific substance to these talks at present. If, as Chambers (1981) suggests, successful merger is begun with studied choice and friendship, the MSU System is in trouble. A previously very patient local faculty will almost certainly react in self-oriented and protective ways. This probably will involve a subtle resistance which will serve to delay and sidetrack the merger process.

Finally on the dark side, these issues have consequences for the educational services offered to MSU students. Students can expect to see continuing increases in tuition. Further, they can expect to encounter larger classes, which means a more mechanistic and dehuman-

ized approach to both teaching and student evaluation. Also, students will find that individual faculty will be less available for advising. There will be a decrease in the availability of programs. Certainly more students will be directed to enter larger departments which offer large classes, and smaller programs will tend to disappear. Particularly troublesome here is the elimination of some of the Liberal Arts programs where current enrollments may not satisfy some unilaterally established administrative criterion. And this is occurring at a time when a small but excellent Liberal Arts program in this "last best place" has great potential for attracting both students and faculty from elsewhere. The professional and careerist programs in such fields as business and education will become the prominent viable choices for students. Further, with the demise of the Arts and Sciences on campus, the needed and appropriate content for those professional programs will disappear. When participating in a program review in the fall of 1994, it became obvious to me that some faculty are very tempted to rearrange the various curricula in an attempt to keep their jobs. This will no doubt result in bureaucratic approval of some pretty unusual undergraduate programs. In addition, university education will become beyond financial reach for some. As resources become scarce and upper limits upon tuition increases reached, MSU-Billings may be forced to cap enrollments, and many place-bound students will be denied access to higher education altogether.

### *The Encouraging Side*

While this is a grim outlook, it is important to imagine potential negative results in the hope of avoiding them. Clearly, there is also potential for positive outcomes. Communication administrators will be charged with guiding their departments through merger in a way to achieve these more positive results. This final section of the paper presents some of the major results of this merger which should occur.

First, concerning financial support, the creation of the merger should have positive financial effects. The campus administration must find ways to increase support for MSU-Billings, and to use current funds very wisely. This is much more likely to happen if the campus takes the time to deliberate this issue thoughtfully and carefully. One frequently mentioned notion is efficiency. MSU-Billings needs to become administratively more skillful. This means consolidating administrative functions such as admissions, accounting, benefits administration, etc. (Baker, 1993b). The University can also be more efficient by conscientiously developing an MSU System plan, or sense of direction. This emerging sense of direction should then lead to efficient decentralizing of decision-making related to the local academic arena which means allowing for more faculty control. It should also mean administrative job redefinition to accurately reflect current demands. This redefining of necessary administrative activity should lead to a clear decrease in money spent in this area. It should also signal the advent of a flatter administrative structure, one which centralizes many system policy decisions and some operations, but decentralizes teaching, scholarship, academic affairs, expenditures, physical development of the campus, and speeds up the ability of MSU-Billings to respond to its changing context (see Gade, 1993). Further, competency can be increased through appropriate selection of administrative personnel, and commitment to their continuing education as well as involvement in academic life. Also related to this idea for cross-functioning, there are a number of administrative duties which could be returned to the faculty. These duties should be jointly identified and again become faculty responsibilities. In sum, therefore, administrative efficiencies should mean the decline of a counter-productive administrative class on campus, as well as the concurrent growth of mutual faculty-administration respect and productivity.

Evidence of movement in this direction is observed in the faculty-administration contract negotiations this year. After two years of unsuccessful bargaining, both sides agreed to engage in a process of "collaborative negotiations" based upon a model reported in *On*



*Campus* (McKenna, 1994). This effort has attempted to bring all stakeholders to the negotiation process in a cooperative spirit. For the first time there are representatives from both the Governor's office and MSU-Bozeman attending MSU-Billings negotiation sessions. In addition there is student participation, and the MSU-Billings Chancellor has been directly involved. This group has spent the year developing a plan for increasing faculty salaries as well as improving the quality and efficiency of educational services offered on campus. While these negotiations are not yet complete, a successful outcome of this innovative process would help improve faculty morale and increase faculty commitment to the merger process.

Another point related efficiency concerns the use of faculty. MSU-Billings needs to agree as to what an efficient as well as effective (after Mingle, 1993) use of faculty involves. Again, MSU-Billings should hire only the faculty needed. In some disciplines a faculty member with Ph.D. may be needed for a new or replacement position. On the other hand, the campus may not be able to afford Ph.D.s to teach some of the general education courses, and even introductory courses in undergraduate majors.

This outcome will probably occur in the Communication Arts Department on campus. With a retirement coming up next year in a Mass Communication, the Department will very likely replace a tenure-track Ph.D. faculty line with a Master's level faculty lecturer whose duties will be entirely be in the general education courses. Additionally, this replacement faculty member will carry a higher teaching load. This action, certainly less than ideal, will at least allow the Department to maintain the presence of Mass Communication expertise through the remaining position committed to that area. The more costly and Ph.D. faculty resource will then be redirected towards enhancing/expanding upper division offerings, etc.

The campus will also need to develop a cultural norm which both expects and financially supports continuing disciplinary education and scholarship. Faculty would then energetically recommit to the notion of the mindful teacher-scholar who excels in the classroom. This respect further means a modest reduction in the tenure-track faculty teaching load to enable university faculty to maintain appropriate productive capacity, and an increase in salaries so faculty can adequately support their families. Finally, respect will encourage collaborative campus labor relations with faculty. These actions will improve faculty morale and productivity. Faculty will want to commit to sharing in campus administrative duties and effectively developing distinguished academic programs which offer high quality instruction that attracts the best students.

Similarly, efficiencies can be developed in the staff, support, and physical plant domains. Rather than simply eliminating staff to save dollars, the campus should cooperatively redefine duties in terms of current needs. Further, the campus must commit to increasing salaries, upgrading skills and expanding staff involvement in decision-making. These actions will produce greater staff effectiveness and pride in their work.

Unquestionably, there can also be productive changes in terms of programs offered by the MSU System. It will be important to determine what is needed programmatically at MSU-Billings, how much to spend, and subsequently use the money as wisely as possible in realizing programmatic goals. MSU-Billings has strengths in undergraduate programs in accounting, information systems, elementary and secondary education, as well as special education. Further, the Commissioner of Higher Education suggests that the system is to develop "lead" programs. MSU-Bozeman appears to strongly emphasize programs in engineering and agriculture. In addition, they have a Business School. The Arts and Sciences are under-supported at MSU-Bozeman. That should put MSU-Billings in a decent position to develop system "lead" programs in some of the Liberal Arts disciplines. For example, the Speech Communication program at MSU-Bozeman has been terminated for financial reasons. MSU-Billings should commit the resources to study what role Communication Studies should play in MSU System, and to seek to develop a "lead" program for the system

on the MSU-Billings campus. One other "lead" program which seems obvious for the MSU-Billings campus is the Nursing program. Billings is the medical center for the region. It is the largest city for 500 miles in any direction. The resources are in this city. Locating the nursing program in Billings makes sense. The system needs to examine the issue, work through the problems, and at least make it possible for students to earn a Bachelor of Nursing Science at the MSU-Billings campus. These examples are offered as starting points. The next ten years will see a good deal of deliberation as to where to develop distinguished programs in the MSU System.

Other positive program outcomes are possible. Certainly there can be better coordination of graduate programs within the system with the goal of improving quality. This merger also offers the opportunity to redefine teacher education. The system must figure out how many and what kind of new teachers Montana needs each year, and develop focused, high quality programs to meet this need. More generally in this direction, some large programs may need caps to prevent an over-commitment of resources into one area of campus. MSU-Billings has a tradition of trying to serve all comers. Limiting programmatic growth in overly-subscribed programs through such means as admission standards, entrance tests, interviews, etc., are appropriate ways to increase programmatic quality and recognition as well as to maintain a balance of funding commitment on campus.

In addition, program recruitment can be redirected. Currently there is competition among units of the system for students. *The Billings Gazette* (1994) in an unattributed column reports that a University of Montana bus will shortly be touring the eastern portion of the state with administrators, bands and other enticements intended to recruit students. The merger offers the opportunity to end this wasteful unit competition and develop state-wide recruitment. This centralized and more modest effort would develop the function of informing state residents where the programs are offered, and make visible to potential out-of-state students the programmatic availability, costs and advantages of earning a degree in Montana.

Quality programs need outstanding libraries and access to databases. While the MSU-Billings library is anemic in terms of physical holdings and falling further behind, the advent of the virtual library has greatly improved access. The system needs to pledge the resources to cooperatively developing a first rate MSU System library. Resources should be pooled to determine need, as well as appropriately and prudently increase holdings, alliances with other libraries, computer subscriptions, access to information, etc. The University of California at Davis used to operate a daily bus which provided free travel to the University of California at Berkeley library. The MSU System should do something like this with an "electronic bus" between the MSU-Billings and MSU-Bozeman campuses.

Similar thinking can be applied to computer capability, interactive video, etc. Movement towards interfacing campus libraries and computer capabilities and libraries has begun. There needs to be continued and expanded commitment to these kinds of programmatic support.

There is also potential benefit for students in this merger. MSU-Billings should be better able to attract the "best" students if enough of these positive outcomes are realized. These "best" students will provide alternate models of academic behavior for peers, and make appropriately greater academic demands on faculty. This should serve to increase the quality of instruction. The potential for undergraduate as well as graduate program excellence is also to students' advantage. Again, Dr. Baker (1993b) wants to maintain current levels of access to four year programs and increase access to two year junior college and technical programs. MSU-Billings, an open-enrollment institution, has a first-year student drop rate of around 40 percent. The campus needs to develop a suitable balance of two and four year offerings to increase access as well as retention, and decrease costs for some students. Further, coordination of community service and extended education opportunities would benefit students. In addition, the merger can provide support for the movement toward a self-

supporting athletic program. This fall for the first time, students at the MSU-Billings campus voted to assess an athletic fee. This vote helps MSU-Billings with cost containment. If wisely reassigned, these funds can now be redirected towards academic issues without further increases in funding from the state. Merger should mean that in the future athletics will be totally self-supporting, with all athletic funds redirected towards the academic.

The final positive outcome of the merger to be presented concerns the public. Wise use of tax dollars in the efficient and effective pursuit of program excellence will be noticed and supported by the citizens of Montana. The citizenry will have valid reasons for appreciating and applauding what the MSU System has done. Restoring public trust and respect for the MSU System would be a boon for all of us.

In conclusion, the future probably holds the further decline of university education in Montana's largest population center. Nationally public colleges showed the largest increase in state aid in 1994-1995 since the recession, and 40 states showed increases (*Spectra*, 1994). Montana was one of nine state showing a decrease, with an 8.2% reduction in appropriations. Only Oregon, with a 10.5% decrease, was lower. This news leads to a severe forecast for the future. This manuscript paints dark tones of transition for MSU-Billings as a very dismal potential reality which must be averted. This essay also offers a message of positive potential, not by creating illusion, but through hard-earned positive academic and administrative achievements, mutual respect and coordination of effort. It sketches avenues which will need to be explored to approach constructive outcomes.

If history and tradition can provide a basis for prediction, Montana is not up to it. In order to be successful, past practice will have to change too radically. The situation is reminiscent of the recent national health care debate. Montana culture is too diverse, too parochial, too power-oriented, too bureaucratized, too timid, too impoverished, and too entrenched to even imagine a distinguished MSU System.

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