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**Higher Education Needs of  
Southwest Minnesota - *Report*  
*Conclusions & Recommendations***

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**Minnesota**  
STATE COLLEGES  
& UNIVERSITIES

**Submitted to:**  
Minnesota State Colleges and Universities,  
Office of the Chancellor

**Submitted by:**  
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## **1.0 INTRODUCTION**

Often an academic needs assessment is conducted in reaction to a call for additional programming or access issues that emerge related to a particular market, service area, or industry sector. Other times, it is a response to operating in a highly competitive environment to help make decisions about program mix, delivery options, and potential demand. Most studies typically originate from an institution, an economic development initiative or a grassroots community element. In this instance, the state system has taken advantage of an opportunity to reassess how it provides access to higher education in this large region through two of its member institutions.

### **1.1 Background**

Understanding and serving the needs of Minnesota's southwest region are important to the Minnesota State Colleges and Universities system ("the system"). The following factors prompted the system to conduct a study of the region:

1. The announced retirement of Southwest Minnesota State University (SMSU) President Danahar in June 2011 presented an opportunity to study governance options, including administrative alignment with Minnesota West Community and Technical College (Minnesota West), a five-campus community and technical college;
2. The changing demographics, economics and other market conditions in the region warranted an assessment of resource capacity and academic program offerings; and
3. The current and future needs of regional industries and communities provide further opportunities for alignment of institution programming and services across Southwest Minnesota.

### **1.2 Study Components**

The system Office of the Chancellor engaged MGT of America, Inc., a national higher education research and planning firm, to conduct a study and make recommendations to the system chancellor. The key objectives of the study were to:

- Review the regional higher education needs of Southwest Minnesota (19-county area).
- Examine strategies to better align programs, services and efforts of the two system institutions (SMSU and Minnesota West) whose primary responsibility is to serve this region.

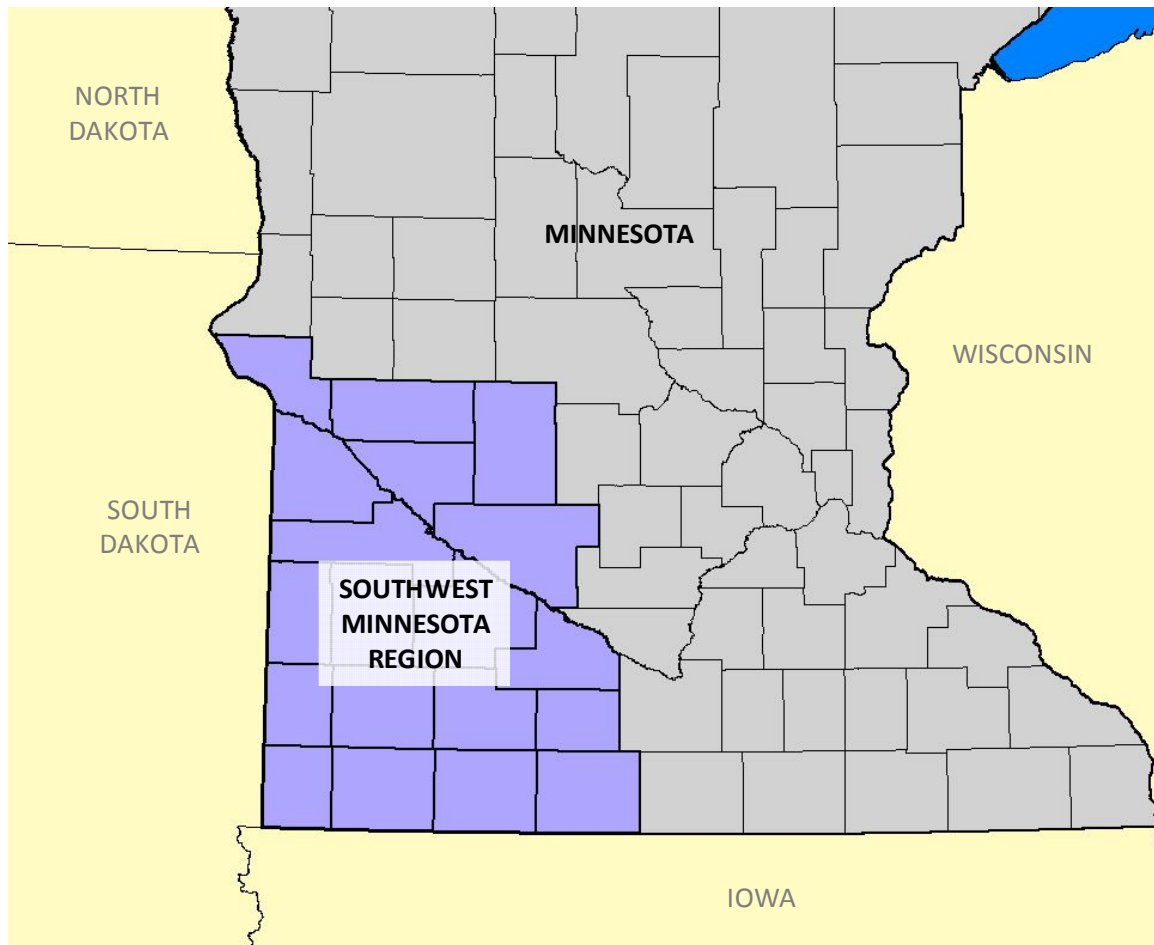
The approach developed by MGT and approved by the system included the following:

- Needs assessment – Provide analysis of demographic, economic and workforce data and of institutional mission, programs and capacity to meet changing regional needs.
- Stakeholder input – Engage stakeholders in looking at the current and future needs of the region. MGT staff visited Southwest Minnesota to engage in activities and analysis that inform the overall study including:
  - Interviews and focus groups with key stakeholders, including civic, political and industry leaders, and local faculty, administration and students at each institution. This was accomplished by the study team conducting two weeks of on-site visits and numerous follow-up interviews via telephone.
  - Surveys to assess interest in higher education programs by current students at both institutions and needs of the regional employer base.
- Develop conclusions and recommendations for system consideration.

### **1.3 Geographic Area of Focus**

The study focused on the 19 Minnesota counties of Southwest Minnesota. The assessment of institutional mission, programs and capacity focused on Southwest Minnesota State University in Marshall and Minnesota West with five campuses in Canby, Granite Falls, Jackson, Pipestone, and Worthington and four small learning centers in Fairmont, Luverne, Marshall, and Redwood Falls. The region is depicted in **Exhibit 1-1**.

**EXHIBIT 1-1  
SOUTHWEST MINNESOTA REGION**



Source: MGT of America, Inc.

#### **1.4 Potential Outcome**

Over the last ten years, through the work of faculty and staff under the leadership of President Danahar and his administration, a number of accomplishments have been realized in both the academic and community service areas of SMSU. The positive impact of these changes was widely acknowledged by appreciative businesses and community leaders during the consultant team visit to the campus. This study is intended to extend these efforts and help set the stage for the next President and his/her team to focus on continued improvement and growth of the institution and, in turn, enhance the higher education opportunities across the region.

Likewise, during our visits to the Minnesota West campuses, community and business leaders expressed their satisfaction and appreciation for the responsiveness and flexibility demonstrated by the college under the direction of President Shrubbs and his team in adapting to the ever-changing training and education needs of their respective locales.

The study identified key higher education programs and services needed by the region now and in the future. It explored administrative and organizational structures, including the current institutional configuration, and other approaches that could include consolidation, administrative alignment, or other programmatic and financial opportunities to enhance or sustain programs and services in the region.

The following chapters are contained in the full study *final report* dated June 30, 2011, available on the system's Office of the Chancellor website. They provide the more detailed findings and observations from the consultant team's data collection and analysis, as well as conclusions and a set of recommended strategies for system officials to consider.

- 2.0 Regional Market Conditions (full report only)
- 3.0 Institutional Descriptions (full report only)
- 4.0 Stakeholder Input (full report only)
- 5.0 Identification of Needs (full report only)
- 6.0 Conclusions and Recommendations (full report & this summary document)

An appendix at the conclusion of the final report document provides an account of stakeholders that participated in interviews or focus groups with the consulting team.

***Chapter 6.0 Conclusions and Recommendations follows this section of the summary report document.***

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## **6.0 CONCLUSIONS AND RECOMMENDATIONS**

This final chapter provides a consolidation of findings and observations from the various data and commentary collected during the study and presented earlier in this report. The focus of this study and report was two-fold in response to our charge from the Minnesota State Colleges and Universities system, Office of the Chancellor to:

- (1) Identify higher education needs of the region, and
- (2) Suggest opportunities for alignment of higher education to better meet those needs in the future.

The consultant team first identified a set of higher education issues, concerns and needs across the Southwest Minnesota region. We then suggest a set of strategic opportunities for the system and the two local institutions to consider as they seek ways to better serve the region in response to the expressed needs. Finally, we discuss four possible scenarios regarding collaboration of academics and support services (or “alignment”) of Southwest Minnesota State University (SMSU) and the Minnesota West Community and Technical College (Minnesota West) in pursuit of improved access to and delivery of higher education in this unique region of the state. The remaining sections of this chapter summarize the findings, conclusions, and considerations that led the study team to a set of strategies and recommendations offered to system officials as they make a decision regarding this matter.

The next two sections summarize concerns and needs that we have identified from our research and analysis of both objective sources of data as well as opinions and perceptions expressed by a wide range of area stakeholders. We follow with a list of potential strategies in response to the expressed needs, conditions, and circumstances of the region for the two system institutions that share responsibility for serving the higher education needs of the area.

### **6.1 Identified Issues, Concerns and Needs**

- Southwest Minnesota is an expansive market area (19 counties) that is rural in nature and sparsely populated, with only a few population hubs of significant size (Marshall/Lyon County is one of the largest at 25,857 residents). The region is faced with a declining and aging population, along with an economic and industry base that does not align well with the current SMSU academic program array. Though jobs are available (the unemployment rate has remained relatively low compared to state and national benchmarks in recent years), the sheer annual number of openings, earning power, and educational requirements are limited at this time.
- Stakeholder commentary from across the region, and particularly in Marshall, suggest that Southwest Minnesota State has done a good job in engaging both the business community and local residents close to home (Marshall) in a variety of areas including social and cultural functions, community service, and academic program delivery. They were particularly appreciative of the SMSU

efforts and accomplishments given the austere economic environment in recent years. There is less of an endorsement for the University beyond the immediate service area.

- Local employers and community leaders noted that it is sometimes difficult to recruit and retain quality employees to the area, so they would prefer to “grow their own.” They also commented that many young residents seek higher education outside the region, and may not choose to return creating a local “brain drain.”
- Employers and community leaders are passionately supportive of the higher education entities located in their respective communities, and appreciate the critical role each plays in the economic and educational well being of their locale. A loss of one of these education sites would be a huge setback to the surrounding community in many ways.
- Transition to more applied academic programs that better meet local needs has been slow to develop over the last 10 years. Local concerns center on the lack of alignment of SMSU programs to the mix of business and industry sectors most prevalent across the region.
- If Southwest Minnesota State can grow enrollments overall, and particularly on the campus in Marshall, much of the current concerns and criticism would likely subside. The institution’s recent curriculum mix has not consistently generated the enrollment levels needed to maintain targeted revenue goals and efficiencies.
- Furthermore, a sizeable proportion of current headcount (56%, but a much smaller proportion of FYE at 23%) is generated by Post-Secondary Enrollment Options (PSEO) enrollments who, for the most part, never visit the campus nor convert to full-time status at Southwest Minnesota State upon high school graduation. Roughly seventy-three percent of those high school dual enrollments are from outside the Southwest Minnesota region, and, by nature and location, are not likely candidates for full-time on-campus enrollment at SMSU during their pursuit of a four-year degree.
- Although SMSU and Minnesota West are the two main public providers of higher education in the region, there continues to be increased competition from other system institutions, as well as institutions from neighboring states that border this region. Assessments of area resources and strategies for future system initiatives should be cognizant of the roles of the full array of providers.
- The University has experienced some challenges in recruiting and retaining faculty and senior leadership to the campus when openings do arise.
- With diminishing state appropriations resulting in personnel reductions, it has also proved difficult in recent years to maintain appropriate levels of faculty and staff to deliver services and programs traditionally offered at both institutions.

- Under the current fiscal allocation model utilized by the system, Southwest Minnesota State and Minnesota West have not kept pace with other growing system institutions across the state. As a result, each institution's respective share of the funding pool continues to decline annually.

## **6.2 Potential Strategies for Consideration**

The following strategies for addressing many of the issues and concerns uncovered during the study are geared primarily towards efforts that could be initiated and directed by SMSU, but clearly involve the cooperation of and collaboration with Minnesota West, as the two primary providers of public higher education across the Southwest Minnesota region.

Under current circumstances, the consultant team encourages both system officials, as well as SMSU and Minnesota West leaders, to carefully consider the following strategic initiatives to address the higher education needs of Southwest Minnesota. It should be noted that, in recent years, SMSU has begun to respond to a number of these points with varying degrees of success. Likewise, Minnesota West has a history of "nimble" responses and a distributive model for delivering programs and services throughout the region to meet local needs.

Despite these efforts, the consultant team recommends attention to the following six strategic opportunities to address four major higher education needs/gaps/deficiencies in the region going forward. *(Unless otherwise noted, the strategies are primarily directed towards SMSU.)*

### **Academic Needs / Programmatic Refocus**

- 1. More closely align the academic programs of the University to the economic initiatives and industry sector needs of the full 19-county region.**
  - Offer differing program mixes by location that more closely align with predominant local/regional industry clusters and expressed needs.
  - Develop new and expanded partnership opportunities with local businesses and industry that match with current academic programs or potential program shifts.
  - Continue to gradually align program options with industry needs and job opportunities to attract or retain enrollments at SMSU and, in turn, attract and retain an educated, skilled workforce within the region. SMSU has established a solid foundation for expansion of areas of most interest including the agricultural sector, food sciences, environmental sciences, health sciences/wellness, hard sciences, and business/management curriculum. Other new areas of interest include alternative and wind energy, and manufacturing including operations management.
  - Demonstrate the connection between SMSU degree program options and job opportunities locally and across the Southwest Minnesota region.



- Continue to examine interdisciplinary program opportunities across the full spectrum of the SMSU curriculum. Some have called for a downsizing of the current liberal arts curriculum at SMSU; however, it is an important and valued aspect of the University's mission to engage the communities it serves. SMSU officials noted that the University recently completed a review and re-design of its liberal arts core. The new *Liberal Education Program* implemented this past fall semester, is based on a national survey of business, community, and campus leaders who identified what all college graduates, regardless of major, need to know and be able to do in order to succeed in the 21<sup>st</sup> Century. Thus, a continuous "rebalancing" of the curriculum mix over time is a more reasonable and practical approach, that again establishes or sustains both community and business connections and meets the core educational needs of its students.

### **Enrollment Growth / Market Penetration**

#### **2. Expand baccalaureate program access points and opportunities across the region beyond the main campus in Marshall.**

- Seek opportunities to utilize existing locations, facilities, and support services on Minnesota West campuses and centers to better serve the full region and specific local markets.
- Develop and expand distance/hybrid delivery modes for academic programs and services.
- Build program "critical mass" through both on-campus and off-campus distance delivery options. This includes within the region, other locations across the state, and out of state, as opportunities arise and demand matches SMSU programming or new curriculum options.
- Devise collaborative arrangements to provide key support services to SMSU enrollees located away from the main campus in Marshall.
- Aggressively market these connections jointly throughout the Southwest Minnesota region.

#### **3. Create a renewed focus on recruiting and marketing efforts to increase both on-campus and off-campus FYE at SMSU from a local, regional, statewide perspective and beyond.**

- Develop several new or revamped academic programs that will have potential to attract new enrollments to the main campus from within the region, from other areas of the state, as well as outside the state. The growing SMSU program in Culinary is a good example that now draws enrollments both locally and statewide, and has gained recent national success and recognition. Other critical areas identified for the area (see **Chapter 5.0**), at the certificate, associate, bachelor's, and continuing education levels include:
  - Expansion and extension of business, management, accounting, and finance programs through distance learning or hybrid course formats.

Additionally, continuing education courses in supervision and leadership appear to be in strong demand. Specialization in regionally strategic industry sectors (agriculture, renewable energy, etc.) would also enhance demand.

- Expansion and extension of sales, marketing, and customer service training programs, including both formal awards as well as continuing education. Distance, hybrid, and other nontraditional formats should be utilized.
- Expansion and extension of education programs, with emphasis towards primary school certification, special education, and vocational education, utilizing distance and hybrid programming formats.
- Specific manufacturing technology training programs, tailored to local business needs. Institutional officials must reach out to local employers capable of providing a critical mass of students for these programs to determine opportunities for curriculum.
- Engineering technology/technologist and related programs, aligned with the greatest industry needs.
- Assorted healthcare training and education programs, including health or nursing aide and assistant training, as well as all other levels of nurse training (LPN, RN, BSN, MSN);
- Development of some of these programs (particularly in healthcare) may be prohibited by either high cost of instruction or limited opportunities for clinical rotations. The costs and merits of each program should be considered independently to determine the best options to pursue.
- Focus emphasis on SMSU opportunities for nontraditional students in locations at or adjacent to current Minnesota West sites. A possible cohort-based hybrid delivery model MBA program mentioned by SMSU faculty for working professionals might attract participants from both local and distant sites.
- Similar options could be created at the undergraduate upper division level to attract new or transfer students for entry into baccalaureate degree completion programs in business, management, operations, marketing or agriculture related fields.

### **Community Engagement**

#### **4. Expand non-academic efforts to engage both the residents and the business community throughout the region.**

- In each community the consultant visited, it was clearly evident that local higher education access was considered a key factor in the area's economic well being. Therefore, the University should expand efforts to reach out to business, industry and local civic leaders in all counties of the Southwest

Minnesota region. Beyond academic and workforce needs, this outreach should include establishing or strengthening partnerships in civic, community, cultural events and services, collaborating in specialty areas of research, as well as providing technical expertise and advisement.

- Heighten participation levels by appropriate University personnel in local/regional economic development initiatives. In some instances, stakeholders cited other out-of-region institutions as more engaged and supportive of local economic development initiatives.
- Include a student community service component geared toward local interests and needs.

***Operations and Administration (Both Institutions)***

**5. *Take full advantage of potential opportunities for pooled operational and support functions between Southwest Minnesota State and Minnesota West, or among other system institutions.***

- Both institutions should actively seek opportunities to collaborate or share responsibilities for the delivery of services and support to students, faculty, staff, residents and the business community between themselves and with other system institutions across the state. Possible participation in the system's *Campus Service Cooperative* may provide for savings through economies of scale, improved efficiencies, capacity building, and expanded expertise beyond what would be readily available from a single campus or an institution spread across multiple sites in rural locations of the region.
- Minnesota West has developed a workable model to distribute (deliver) services across its various sites. However, in recent years both institutions have faced budget and staff reductions, which has put tremendous strain on the staff that remain to provide adequate and timely services needed and expected by students, staff, and other constituents. SMSU should explore opportunities to collaborate with Minnesota West in this delivery model of like services.
- Both institutions should work to create incentives for faculty/staff to collaborate on internal initiatives relevant to the region.

**6. *SMSU should establish institutional and academic leadership that can foster a sense of engagement, collaboration, and involvement, both internally and externally.***

- Seek out individuals who will provide the dynamic leadership and coalition building required to make both local system institutions more effective options for pursuing higher education opportunities within the region.
- These individuals should have a clear understanding of and an appreciation for the unique role and mission of the community/technical college and the four-year university, and how they can work jointly to address the unique

issues, obstacles and needs posed by a large, rural region such as Southwest Minnesota

- They must also possess the willingness, skills, and energy to be good stewards of the institution's traditions, while simultaneously acting as change agents for higher education to better serve the local communities and the region overall.

### **6.3 Alignment Scenarios**

When addressing possible changes and improvements to higher education access and delivery across Southwest Minnesota, the word "alignment" has invoked much concern and consternation among administration, faculty, staff, and students at both SMSU and Minnesota West. It has also raised concerns among business and community leaders who suspect such an effort may diminish or lead to the closing of a campus or education center in their respective areas. There are also fears that a "consolidation" of the two institutions would eliminate valued programs and services in a location. Business leaders and citizens expressed a desire for more access and opportunities, not less. They have seen the results of recent budget reductions, and are concerned that consolidation at any level might further deplete what local resources and opportunities they currently have.

When further discussing alignment during the course of this study, our team sees three levels of coordination between the two institutions that may be required to more readily address the identified needs of the region:

- **Collaboration of academic programs** to better meet regional needs, which would likely include articulation agreements, seamless transfer options, and matching programs with local/regional needs.
- Implementation of a **shared service model** to support improved efficiencies in program and service delivery, access points, and similar operational functions, in a time of declining resources.
- **Alignment of institutional leadership** to create a more unified, strategic approach to serving the full array of higher education needs across Southwest Minnesota.

The first two are a direct response to identified needs and, for the most part, are practical and acceptable actions based on what the team heard from local stakeholders. The third component is the most controversial, and opinions run strong and divided.

It should be noted that a similar approach to alignment through all three levels has been implemented by the system involving Bemidji State University and Northwest Technical College. A brief summary of the approach, timeline (to-date), and some of the issues they faced will set the stage for a description of potential options for considered implementation in Southwest Minnesota.

**Bemidji State/NTC Alignment Model**

*Based on information conveyed to the consultant team in discussions with senior leadership at Bemidji State, the alignment process (not merger) with Northwest Technical College (NTC) began nearly seven years ago with the appointment of a single President. Initially it also entailed consolidation of several administrative functions including human resources, financial aid, and payroll. Gradually over the next several years, consolidation of budgetary functions, capital planning, facilities, technology, security and safety, and continuing education/customized training (the latter moved to NTC) followed. The latest efforts have aligned student services and student affairs across institutions. These alignments included a single Vice President for Finance and Administration, a single Vice President of Student Affairs (but created two campus deans), and a single Chief Information Officer. Academic affairs and the accreditation of each institution remain separate and two institutional Academic Officers sit on the President's Cabinet. At this point in the process, they estimate annual cost savings approach \$750,000 from the level of alignment currently achieved.*

*However, progress has not been without issues and significant obstacles to overcome. Of particular note are two areas of contention related to staffing and capital appropriations. Numerous staffing issues and conflicts have arisen from the established and differing bargaining units for each institution and the myriad of agreements, rules, regulations, protocols, and protections that they encumber. Capital appropriations now come to the aligned Bemidji State/ Northwest Technical College as a single allocation, and then must be apportioned as needed by the administration to address each institution's needs and priorities. That has proven to be a far more difficult endeavor than originally anticipated. There is some perception that the joint allocation provides less dollars than if separate requests were made, yet the facilities inventory has not been dramatically altered in terms of capacity and upkeep needs.*

*Finally, Bemidji representatives offer four observations or "lessons learned" that may prove beneficial to other institutional alignments that follow:*

- 1. All parties involved in the alignment decisions from each institution should be included at the table working together to arrive at mutual solutions. This will require a considerable amount of time, energy, effort, and patience to conclude successfully. It should last as long as the alignment process is on-going, and there should be some means to resolve issues or conflicts that arise well after the alignment has been implemented for an organizational unit.*
- 2. It is often better to have new hires take over an aligned or consolidated unit as opposed to the "old guard" who have a history with one institution or allegiance to the previous administration. Unfortunately, this situation is often difficult to avoid.*
- 3. It is easy to underestimate the differences between students typically served by the two types of institutions. They have very different goals, objectives, backgrounds, learning habits, and constraints that may not easily mesh in a combined operation of aligned services.*
- 4. Policies and procedures at the senior institution may not easily apply to a community and technical college setting; therefore, alignment must take into account such differences and make accommodations where appropriate. This may result in some added layer of operations, increased work load, and disputes over outcomes or decisions*

#### 6.4 Alignment Action Steps and Sequencing

After careful analysis and reflection regarding the conditions, circumstances, outlook and needs of the region, and the current working example described above, we have identified four “options” or action steps for the system to consider when determining strategic directions that SMSU and Minnesota West should take as they seek to better serve the Southwest Minnesota region. The first option merely offers a suggested course of action to maintain the status quo and provides no explicit direction for change from the system. The latter three options or action steps depict a “continuum of collaboration” or progression towards alignment that could be implemented in sequence over time, as deemed appropriate.

**Action Step #1: Maintain “Status Quo”. (no change)**

**Action Step #2: Academic Collaboration**

**Encourage and develop additional collaboration between the two institutions on academic programs, articulation agreements, and academic related services for seamless student access and transition.**

**Action Step #3: Shared Services**

**Seek out and initiate alignment of selected support and operational services, through a shared service or cooperative model to maintain adequate levels of service and achieve some level of improved efficiencies across institutions.**

**Action Step #4: Administrative Alignment**

**Align the administration/leadership of the two institutions (current Bemidji State/Northwest Technical College model) that would include the president and selected senior leadership positions.**

#### 6.5 Advantages and Disadvantages of Proposed Action Steps

We mention the first option merely as a course of action or “no action” that may be taken, but the expected outcome (meeting the needs of the region) would be no different than what is currently being realized, thus we find this option problematic in light of the issues identified within the region and the expressed need to continue progress beyond achievements to-date.

Action steps #2 through #4 provide an ever-increasing level of alignment between the two institutions that eventually approaches the model currently instituted at Bemidji State/Northwest Technical College (described above), but short of a full merger. As noted in the Bemidji model description earlier in this chapter, they still have not

addressed any “alignment” of academics, and currently maintain separate accreditation, curriculum, and credentialing for each institution.

Though it was beyond the scope of this study to conduct a feasibility analysis of detailed alignment opportunities (programs, services, units, positions, facilities) and their explicit capacity and potential net cost savings, we do concur that an incremental cost saving would result over time if Action Steps #3 and #4 were implemented. Any cost savings are welcomed in these difficult budgetary times, however we caution that based on anecdotal information provided by Bemidji State, annual costs savings due to alignment may be limited compared to the full institutional operating budgets, will take an extended time to fully realize, and may not prove to be a viable trade-off in relation to the functional or operational changes required or those assets that would be eliminated or reduced.

Though academic alignment through collaboration is the focus of Action Step #2, all of the latter three steps call for a concerted effort for academic program collaboration between the two institutions to better meet business and industry needs identified in **Chapters 4.0** and **5.0** of this report. Similar to the Bemidji State/NTC experience, we do not foresee a formal merger of the academic components of these two institutions in the future due to many factors, including mission, accreditation requirements, and faculty credentialing. However, we would envision more emphasis and encouragement on the part of both institutions to streamline the process of developing articulation and transfer agreements, promote joint/shared program delivery locations, and offer and market a seamless transition from Minnesota West to SMSU for transfer track students.

Action Step #3 represents an alignment process of shared services to be put in place over a longer period of time as deemed appropriate by the system and local institution leaders. Units to be considered for a shared services approach or alignment may closely follow the components of the Bemidji model. It should be noted that the system is currently offering opportunities and related efficiencies of a “shared services” model across institutions on a statewide or regional basis or across institutional profile levels. Participation in the *Campus Service Cooperative* might allow both SMSU and Minnesota West to take advantage of economies of scale savings, to maintain adequate levels of service, to develop capacity beyond individual institutions, and to extend special expertise not readily available or affordable at each campus. If this co-op model proves viable, it could be a substantial element of, or replace, the support services and operations alignment called for in Action Step #3.

The alignment of institutional leadership depicted in Action Step #4 is by far the most dramatic and bold phase and, therefore, the most controversial. Born from the pending opportunity to appoint a new President at Southwest Minnesota State, this becomes a key decision factor in the prospects for alignment of the two institutions. Based on the apparent success achieved through the Bemidji State/NTC alignment, single administrative leadership for the two institutions seems a logical option. However, there are several fundamental differences that make the choice more difficult. First, the physical distance between the SMSU campus in Marshall, and the multiple campuses and sites of Minnesota West, and the sheer expanse of the entire region to be served will make a leadership alignment extremely challenging. The Bemidji State and NTC campuses are less than two miles apart making communication, events, operations, and

shared use very easy, convenient, and timely. This will not be the case with administratively aligned institutions in Southwest Minnesota.

Secondly, as we have discovered, the educational needs, gaps and issues of a region of this size, and with such diverse economic drivers, are formidable. The history, culture, and current response level and capabilities of the two institutions are quite complex and divergent as well. It will take a very dynamic president and leadership team considerable time and a significant level of effort to bring about substantial change of an aligned higher education entity across this region. Before full (administrative) alignment between the two institutions can be considered and achieved, it is our opinion there are a number of issues facing a new SMSU president and leadership team that will require their full attention. The SMSU program mix needs to continue its rebalancing effort to more closely align with identified and emerging local/regional needs. Enrollment growth strategies and budgetary pressures are also paramount and will require careful and decisive directions. Maintaining the long standing relationships the University has cultivated locally as well as opening new doors across the region will be a key leadership role. Finally, changing the longstanding culture of the institution to a perspective more aware, engaged, and responsive to regional needs will be an additional, critical priority.

All of the above mentioned tasks and redirections (internal and external) for SMSU alone must take place before the newly appointed president is also charged with the responsibility of leading a full alignment effort and overseeing the operation of Minnesota West and its many sites. We believe that a new president and their new leadership team at SMSU being encumbered with the added responsibility of implementing administrative alignment between the two institutions (Action Step #4), simultaneous to transition into leadership at SMSU, would represent a difficult and likely unsuccessful process.

**RECOMMENDATION**

**Given the regional situation and scenarios previously described, it is the recommendation of the consulting team that system officials consider (as the new SMSU president takes office) beginning with Academic Collaboration as the initial step of an eventual longer-term approach to possible alignment of SMSU with Minnesota West over time.**

**As progress is achieved in repositioning SMSU as an institution better serving regional needs and engaging in more collaboration of academic opportunities with Minnesota West, a transition from Academic Collaboration to Shared Services should occur.**

**Eventually the system could initiate an Administrative Alignment, if and when it is deemed necessary and appropriate. In our professional opinion, the time for administrative alignment is not yet at hand.**