

February 5, 2009

Chancellor Blumenthal
Chancellor's Office

Re: School of Management and Silicon Valley Planning

Dear George:

The following questions/issues are intended to frame your Committee on Planning and Budget (CPB) consultation on Thursday, February 12th.

The revised School of Management (SOM) Business Plan (presented at 1/8/09 CPB meeting) is responsive to the Senate's request for a self-sustaining financial plan that does not rely on significant fund-raising or on campus funds. The proposed timeline is so deeply scaled back that it does not even assume any resources from UCOP. The plan is also designed to be flexible and modular, so that it can respond to changing fiscal opportunities; student enrollment in the Ph.D. program, for example, and faculty hiring could be increased with revenue/gift funds that bring down the cumulative deficit more quickly than anticipated in this timeline.

With this plan based on staged expansion, a different model of enrollment projection and ratio of tenure-track to adjunct faculty, the remaining questions are about the intellectual rationale and justification for the SOM.

1. How does the intellectual/academic component as originally envisioned scale to the new financial plan? The high-quality, research-oriented approach that was outlined in the earlier planning phases (over the last two years), with an executive education add-on, does not seem entirely in line with the new emphasis. Now the focus seems to have reversed, with the emphasis on the Executive MBA component and the addition of a small Ph.D. program that scales up over time. (CPB noted that only 24 student FTE are projected for the PhD program at buildout.)
2. Because the business model is designed to develop organically, phasing in faster growth in response to changing resources, CPB would like to discuss a schedule for how the campus would monitor the key factors that could be incorporated over time (increased student/faculty FTE, square footage).
3. The new enrollment model, taken from UC Davis rather than UCSD, raises several questions. We would like to see actual rather than projected figures so that their viability may be more easily assessed. It would be preferable to use conservative figures derived from a longstanding program to best-case scenarios. We are sure about the projected enrollment numbers, especially in light of the relatively weak performance of the UNEX courses in business-education.

4. Since a large initiative of this nature requires significant leadership, how do you see your role in moving it forward, and what are your plans to put leadership in place? What is your vision of SOM in relation to the campus at present and in the future?

5. There are other initiatives with close connections to our campus, that may be appropriately housed at a UCSC Silicon Valley Center, such as developing an institute of South and Southeast Asian Studies. What other possibilities, including the professional school pre-proposals that were vetted last year by the Administration and Senate, are you considering? What are your efforts to identify these initiatives and promote them?

We look forward to seeing you at CPB.

Sincerely,

A handwritten signature in black ink, appearing to read 'Susan Gillman', written in a cursive style.

Susan Gillman, Chair
Committee on Planning and Budget

cc: EVC David Kliger