

**ACADEMIC PROGRAM REVIEW
of the
Department of Economics,
University of New Mexico**

Review Team:

Kevin J. Boyle,
Professor and Head
Department of Agricultural and Applied Economics
Virginia Tech

Rachel T.A. Croson
Professor
Department of Economics
University of Texas at Dallas
(On leave at the National Science Foundation)

James S. Shortle
Distinguished Professor of Agricultural and Environmental Economics
Department of Agricultural Economics and Rural Sociology
Pennsylvania State University

Thomas F. Turner
Professor and Director
Department of Biology and Museum of Southwestern Biology
University of New Mexico

May 4, 2011

Introduction

The Academic Program Review team was very impressed with University of New Mexico's Department of Economics. The performance of the faculty and staff is exceptional given their small size. They provide excellent academic preparation to undergraduate and graduate students, have nationally and internationally recognized research programs, provide important outreach to the citizens of New Mexico, and are good citizens of the College of Arts and Sciences and the University.

We note that the Department of Economics was highly responsive to the previous Academic Program Review. Notably, the Department:

- successfully modified the rules of governance,
- expanded graduate program offerings,
- enhanced the intellectual environment of the Department, and
- modified the undergraduate curriculum.

In responding to the previous Academic Program Review the Department rebuilt the morale and spirit of cooperation within their unit; the Department now has a collegial and collaborative culture.

The Academic Program Review team notes several highlights about the performance of the Department of Economics:

- The faculty and staff care deeply about their undergraduate students and have taken significant steps to enhance teaching and experiential learning. Their experiential learning activities place the Department on the forefront of enhancing the pedagogy of teaching economics, and have the potential to positively influence other academic units at the University of New Mexico.
- The top PhD students are obtaining excellent academic placements. The placement rate for PhD graduates is exceptional for a small economics department.
- The research portfolio of the Department is very good in terms of the number and placement of journal articles and total grant funding. This performance is at or above the performance of peer departments.

- Individuals in the Department contribute to a positive culture and exhibit good citizenship within the Department, and work well with other units across the College and University. This level of performance is particularly notable given the history of acrimony in this unit.
- The Department has an incredibly loyal, dedicated and hard working staff.
- The Department is highly responsive to requests and perceived needs of the College, University and the State of New Mexico.

The Academic Program Review team is unanimous in our praise for the Department of Economics and their many successes.

In the remainder of this report we first present and elucidate our key concern; a small faculty and staff trying to do too much with diminishing resources. We then discuss selected opportunities that we think the Department could pursue if resource constraints are alleviated. We next discuss pivotal resources needed by the Department to pursue these opportunities and enhance the quality of current offerings. We then identify some key recommendations to the Department, and conclude with responses to the questions that the Department posed to the Academic Review Team.

Concern

While the change in culture and many accomplishments of the Department of Economics are truly commendable, the Department is in a very precarious position due to declines in faculty, staff and budget. The Department experienced a significant loss (>25%) of faculty numbers in the fifteen years prior to start of this ten-year review period. The number of faculty on the books has remained essentially flat during the review period, but the faculty contributing to the Department's teaching and research activities have been further reduced by attrition to administrative appointments outside of the Department. Two of the current fifteen Department faculty have full-time, and another two have part-time administrative appointments outside the Department. The review team is not aware of any university that consistently promotes faculty to administrative posts without replacing the positions in the supporting academic unit.

The Department's remaining active faculty has produced an extraordinarily high and even increasing level of accomplishment across the full range of activities expected from a high quality program in a flagship public university. They have accomplished this with a very small faculty, about 12 FTEs. This faculty size is less than half the average for PhD granting economics departments in the US. It is the belief of the Academic Program Review team that if the University of New Mexico's Department of Economics were compared to other departments of similar size faculty across the country, the overall level of performance would place them well above the 90th percentile.

However, while the Department has steadily increased their performance over the last decade, there has been no reward from the University in terms of additional resources. Considering the levels and growth in the number of undergraduate majors and student credit hours, grant and other research productivity, graduate student training programs, and contributions to University and public service, there can be no question that this faculty is substantially overstretched. The growing faculty workload is apparent in key statistics. Over the past 10 years, the number of majors per faculty FTE have increased 230% (from 6.5 to 21.1), and the number graduate students per faculty FTE have increased 65% (from 3.0 to 5.1). Student credit hours per FTE have also increased substantially.

The Department's staffing problems go beyond faculty numbers to include administrative support. While the number of administrative support staff lines (3) assigned to the Department has not declined, the Department has experienced staff turnover and long periods of vacancy. Turnover problems resulted from the limited ability of the Department to offer experienced staff competitive salaries within the University of New Mexico. The current vacancy problem results from the University "Pause and Hold" policy, which has prevented the Department from filling a grant administrator position since September 2009. Like the faculty, the current staff is overstretched, in part because of the vacant position, but also because of an expansion of responsibilities to serve the increasing department workload and the International Studies Institute. Interviews with the staff indicate that they are highly stressed, but continue to work at a high level because they are treated so well by the faculty, and because of their loyalties to the Department.

The Department is also stressed by limited budgets. The Department's current budget reflects a history of modest growth in funding since the mid-1990s, punctuated by recessionary cuts since 2008, with more expected. In recent years the Department has not been able to cover its operating expenses from University funding and has been utilizing its modest overhead returns from faculty-generated research grants to make up the difference. Thus, the current budget conditions mean that the Department needs "soft" money to subsidize the teaching mission and is not able to effectively use research overhead funds to enhance research and build junior faculty research programs.

We find that the Department faculty and staff are martyring themselves to be all things to all people. It is the perception of the Academic Program Review team that the Department has been extremely responsive to requests from the upper administration to be good University citizens in the hopes that this behavior will yield new resources to support teaching and research. These new resources have not been forthcoming. The faculty is doing much more than is reasonable given the existing resources. It is the conclusion of the Academic Program Review team that the Department is like a loyal team of work horses who continually take on more weight to haul, and more jobs to do, without consideration of the fact that they are being totally overworked. The Academic Program Review team is amazed by the high morale and loyalty in the Department despite what we view as a long period of neglect.

In summary, the Academic Program Review team finds that the Department of Economics has reached a critical juncture where the capacity to maintain current activities is in extreme jeopardy. While there are potential programmatic adjustments that can improve resource utilization, the Department must have additional resources if it is to sustain its teaching, research, and service contributions to the College, University, and the State Of New Mexico. The Department has reached a tipping point and the current exceptional performance it has exhibited is not sustainable without an influx of resources from the College and University.

Opportunities

Although resources available to the Department of Economics have been extremely scarce, we believe that the Department has a number of opportunities to make significant contributions to the College, the University and the State of New Mexico. The Department's history of productivity and service in the face of scarce resources reveals that modest investments in the Department by the College and University will result in substantial returns. Here, we list three opportunities that we believe have potentially high returns. With small investments, the Department of Economics could make substantial contributions in undergraduate education, graduate education and research across the University.

With additional teaching resources the Department of Economics could enhance the undergraduate curriculum across the University. The Department's "Success" sections of introductory economics have a proven impact and represent a key innovation in teaching pedagogy. These sections could be expanded within the Department to enhance the economic "intelligence" of students from other majors who take these elective courses. Further, the Department's efforts in this area could serve as a model for other departments to enhance experiential learning in introductory courses. This teaching approach provides undergraduates with access to tenure-track faculty early in their academic careers and provides an apprenticeship for graduate students to develop their teaching skills. A small amount of resources in the form of teaching release and program development funds would allow for the full development of the Success concept and facilitate the extension of this approach across the University.

Second, the Department of Economics has the opportunity to rethink their existing MA program and to develop a new program that could be offered jointly with other academic units and that utilizes innovative delivery mechanisms to reach previously under-served populations. For example, an interdisciplinary public policy masters program could meet the needs of working professionals in industry and government to enhance their skills and to foster economic development in New Mexico. This program could include innovative formats of course offerings including on-line courses and classroom offerings where students meet on campus for a fixed period of time (e.g., one week during the summer). Such an innovative MA

program can enhance collaboration across units, effectively leverage the diverse talents of several small departments, and provide important educational service in an economically challenged state. Finally a program like this could utilize mechanisms for teaching where a share of tuition revenues could be returned to the participating departments. While some initial resources will be necessary for course development and delivery of this program, we believe that this represents a significant opportunity for the College and the University as a whole in expanding its impact on, and demonstrating its value to, the State of New Mexico.

Finally, current and future faculty in the Department of Economics can play a key role in attracting major interdisciplinary grants to the University. While some members of the Department's faculty already participate in such activities, we believe that there is an opportunity for this participation to be more widespread throughout the faculty. The Department has a history of medium-sized grants and demonstrated expertise in grant-writing in their own research areas. However, the funding model from many sources now is toward large interdisciplinary grants where economics and project evaluation, areas of expertise in the Department, play a key role. We believe that with better grant support and facilitated connections throughout the University, the Department could play a pivotal role in successfully competing for large-scale, interdisciplinary grants in areas that leverage strengths at the University (e.g. research on health issues, Latin American studies, water resources, and Southwest ecosystem climate change). These opportunities would help the Department as well, by enhancing funding for graduate students and overhead return.

Pivotal and Necessary Resources from the College and University

Consequential reinvestment by the College of Arts and Sciences and the University of New Mexico is required if the Department of Economics is to continue to deliver high quantity teaching, scholarship, outreach and service, and to take advantage of the opportunities described above. The Academic Program Review team **recommends** that three critical elements of support are needed immediately:

1. replacement of and/or compensation for tenure/tenure-track (T/TT) faculty lines lost to administrative positions,

2. financial support for innovation in teaching, and
3. significant expansion of support of research development and administration.

These resources, at a minimum, will contribute toward sustaining the current high level of performance by the Department and will enable the Department to pursue value-creating opportunities. Below we discuss each of these in turn.

Since the 2001 Academic Program Review, the Department of Economics has played an ever-increasing service role in the College that has resulted in loss of two senior faculty members (Ganderton and Santos) without replacement. As is obvious from discussions with the Department and various levels of administration (and Ganderton and Santos themselves) it is unlikely the faculty who have moved to administration will return to the Department. The Academic Program Review team **strongly recommends** that College and University **immediately** allocate **two tenure track positions** to the Department to replace the faculty members who have been permanently assimilated into administrative positions.

The Academic Program Review team also **strongly recommends** that salary be allocated to the Department for the share of time that two faculty members have been temporarily assigned to administrative positions. In the interest of program quality, our recommendation is for salary that the Department can use to hire visiting faculty, instructors or graduate teaching assistants as the situation requires.

The Academic Program Review team also noted that faculty who left for administrative posts appear to have negotiated the Department's compensation themselves, rather than allowing the Chair, with approval of the appropriate departmental committees, to handle the negotiation. We believe that in the future this practice needs to be revised, vesting responsibility for reallocation of faculty in the hands of the academic leadership, rather than the individual faculty involved, will avoid even the perception of a conflict of interest and to ensure the best interests of the Department are served.

The Academic Program Review team **recommends** that financial resources be invested in the Department of Economics to support development of new educational and research initiatives that will concurrently benefit the College and University. This funding could provide incentives to further develop pioneering teaching initiatives for minority and first-generation

college students, further enhance the *Success* program, and aid initiation of online and other innovative course offerings to enhance economic development in New Mexico

Finally, to facilitate participation in large interdisciplinary grants we recommend that pilot funding be made available for new research initiatives and proposals that integrate units on campus; preliminary findings are often a key ingredient to successful large-scale grant funding. Investment in travel funds to visit and nurture relationships with researchers at other universities will enable the multi-institution collaboration required for large grant initiatives, and investments in travel funds to visit potential funding agencies will further increase the likelihood of success. It is also important, as we note below in more detail, that the University establish policies on overhead return to incentivize faculty and departments to pursue grants. It is important to make the allocation rules clear and certain so the incentives will be meaningful. The latter is especially important in order to reduce barriers to interdisciplinary proposal development. We note that many of these recommendations are not specific to the Department of Economics, but they are University-level initiatives that are necessary for grant funding success and the Department of Economics can be a key team player in achieving this success.

While the Academic Program Review team noted an overall need to improve infrastructure and support for research at the University of New Mexico more generally, we **strongly recommend** that the Department be immediately allowed to hire a full-time grant support staff person. The Department recently lost, and has been unable to rehire, a grants and contracts person to help with proposal development and grants management. This current lack of support is a clear impediment to the Department expanding the number and size of grants to fund research. The current staffing in the Department is stretched far too thin with their normal responsibilities to take on this additional task.

In addition to these resource needs from the College and University, there are actions that the Department can undertake to improve their teaching and research.

Key Recommendation for the Department

The Department's mission and passion for undergraduate and graduate teaching, research, outreach to the state, and service are all essential contributions to the overall success of this unit. However, the Department needs to develop a vision that allows for focused priorities within each of the mission areas. The Department of Economics is currently doing a number of activities simply because they are perceived as low-cost (e.g. teaching undergraduates in multiple locations and under serving the existing Masters' program) rather than weighing the benefits of these activities with their costs. Furthermore, the explicit costs of these activities, as recognized by members of the faculty, often underweight or overlook the implicit costs of these activities in terms of time and managerial attention. Moving forward, the Department needs to carefully consider what activities are most important, and which should be dropped.

We **recommend** that the department take a two-day retreat off campus to set goals and make key decisions about what activities they are going to continue to support and what activities they are no longer going to support. We do not believe that these decisions will (or should) come down to a choice of one mission area over another (e.g. undergraduate teaching versus graduate teaching). Rather, we recommend that the Department set priorities and streamline activities that are worth pursuing within each mission area (e.g., reducing the number of undergraduate courses taught and also reducing the number of fields offered in the graduate program).

Some issues we urge the Department to consider include, but are not limited to:

- reducing the number of undergraduate classes and delivery mechanisms and increasing the quality (e.g., the mathematical prerequisites) for majors,
- reducing the number of graduate fields and increasing the quality of the PhD program (e.g., higher admission requirements),
- reconsidering the current MA program and possibly replacing it with an applied policy masters' degree in collaboration with other units on campus,
- setting priorities for faculty service within and outside the Department so that primary effort can be focused on teaching and research,

- adding flexibility to the rules of governance, now that the cultural problems in the Department have been resolved, and
- developing a formal and explicit mentoring program for junior faculty that goes beyond informal (friendship) ties.

Some of the suggested topic areas for the retreat are described in greater detail below in the answers to the questions posed by the Department to the Academic Program Review team.

We believe that the retreat should focus on what areas of excellence the Department wishes to collectively pursue and should consider what resources are needed to support excellence in these activities. The retreat should be facilitated, where the goal of the facilitator is to challenge the Department to make difficult trade-offs, rather than to build community or soothe ruffled feathers.

Responses to Questions Posed to the Academic Review Team

Question #1. How Can the Department Improve the Quality of Undergraduate Education?

We find the Department of Economics to be actively engaged in undergraduate education and dedicated to providing high quality and innovative instruction.

Quality education offerings, however, have been challenged by significant increase in the quantity of students served over the past ten years. For example:

- the Department has delivered a 22% increase in student credit hours taught and a staggering 200% increase in the number of majors over the past decade,
- the number of course sections taught has increased, especially at the 100 and 300 levels, and
- the Department has increased the number of courses taught at different locations and venues.

With respect to the quality of instruction delivered there are some very good signs:

- student evaluations (provided by IDEA) are average to above average relative to other institutions in the IDEA data base,
- several faculty have won awards for teaching excellence,

- the faculty conducts periodic quality reviews and has implemented programmatic adjustments in response to these assessments, and
- the Department's "Success" program is a novel experiment to improve student performance in large introductory courses and has generated positive feedback.

Overall, the Department is in an enviable position of offering a program that is in demand by students.

It seems clear that the capacity of the Department to provide high quality education to students, while increasing the quantity of students served, and maintaining research and service expectations has been exceeded. The growth in student demand together with a decline in faculty and administrative staff has brought the Department to this point.

Most notably, the Department now relies excessively on part-time instruction from graduate students or others in upper-level courses in order to maintain increased student credit hours. The faculty share of instruction in 100 level courses has been 47% over the past 5 years. The faculty share of 200 – 400 level courses has declined from 71% to 57% over this period. With the existing program structure and staffing, the Department is unable to offer majors the benefits of routine instruction by, and interaction with, the most experienced and accomplished faculty members. The excessive teaching workloads prevent the faculty from undertaking important initiatives to enrich student learning through faculty-intensive mechanisms such as service learning.

An increase in faculty resources accompanied by a reduction in course offerings is crucial if the Department is to provide high-quality undergraduate instruction and service other mission areas. The Department is working extremely hard to provide and enhance undergraduate education, but it is endeavoring to do too much with its limited resources. This is detrimental to quality and is not sustainable. Frankly, the satellite courses are increasingly offering a "community college" college experience while the Department is also serving large numbers of students at New Mexico's flagship university. We have several recommendations to help the faculty refocus teaching efforts in the undergraduate program:

- We **recommend** that as part of the Department retreat the faculty develop a realistic vision of what they want the undergraduate program to be, and what the flagship economics program in New Mexico should provide to students.
- We **recommend** that the Department offer fewer undergraduate courses with a larger percentage of courses taught by tenure-track faculty. This would include reducing offerings of courses at venues off the University campus. The recommendation also includes teaching larger sections of introductory economics courses (105/106) by faculty accompanied by recitation sections taught by graduate students. The diversity of offerings at the 300 and 400 level should also be reduced and students should be allowed to take some upper-level courses in other departments to support the major in economics.
- We **recommend** the use graduate student performance in teaching recitation sections to identify those graduate students with the greatest ability to teach upper-level courses. Graduate students should not be assigned to teach upper-level courses simply because they are available, and the Department is tight for teaching resources or graduate student stipends.
- We **recommend** considering enrollment controls to better align teaching demands with teaching resources.
- We **recommend** increasing the math requirement for majors and thereby for upper-level courses.

These recommendations are designed to increase the quality of instruction in courses and increase the level of accomplishment by students who enroll in the courses.

Question #2. Should the Department Cut or Consolidate Graduate Fields?

The Department offers a very strong PhD program where the placement of graduates is exceptionally strong.

The quality of the program is uneven and the Academic Program Review team identified three concerns:

- the admission standards for the PhD program are too low,

- the dual enrollment of masters and PhD students in the same classes reduces program quality for both MA and PhD students, and
- the Department offers too many PhD fields for the size of the faculty.

Addressing these issues could make an exceptionally strong PhD program even better.

First, low admission standards for the PhD program mean that faculty members spend a lot of time with weaker students who may never finish their degrees. It further creates pressure to find financial support for graduate students, which often involves teaching undergraduate courses by graduate students with inadequate preparation or screening. A smaller, more focused, PhD program with higher admissions standards would address these concerns.

The MA program appears to lack focus and does not appear to be a faculty priority. The dual enrollment of MA and PhD students in PhD classes suggests that MA students might not be getting the practical training they need, and that the level at which these courses are taught is likely too low for PhD students. It is our understanding that the MA program is used to maintain minimum enrollments in graduate courses, but this would not be an issue if the number of PhD fields were reduced.

The number of PhD fields is clearly excessive for a faculty with about 12 FTE. Some fields are supported by less than two of these FTEs, making it extremely difficult to maintain offer key courses. Reducing the number of PhD fields would remove the need to admit marginal students and offer a marginal MA program just to have sufficient numbers of students to offer the full complement of graduate courses.

The following recommendations related to the PhD fields are intended to help the Department enhance the quality of the PhD program:

- We **recommend** the Department use the retreat to develop a vision of what they want the graduate program to be to ensure a high quality PhD program.
- We **recommend** the Department reduce the number of PhD fields from four to two.
- We **recommend** that one of the PhD fields be the current resource and environmental economics field, which is a clear strength of the Department.

- We **recommend** that in the consolidation/cutting process the Department *avoid* a grouping of the remaining three fields to accommodate all faculty members' research areas (an omnibus field).
- We **recommend** that the second field be a new alternative that takes advantage of niche areas for applied economics where the University of New Mexico could have a competitive advantage, e.g., health economics, economic development focused on Latin American studies, or another area where the Department can partner with University strengths.
- We **recommend** that in selecting a new field the Department does a careful market analysis to consider faculty expertise (existing and needed), student demand, potential collaborations (internally and externally), jobs for students, internal resource support and ability to attract external funding to support a high quality program.

In making these recommendations the Academic Program Review team strongly and unanimously concluded that four PhD fields were compromising the quality of the PhD program. We also concluded just as strongly that one field is not enough to take advantage of faculty expertise and to be sustainable with fluctuations in student demand and grant funding. Likewise, we felt equally strongly that combining three PhD fields into one omnibus field would result in an agglomeration that would not be recognizable to potential students or to potential employers of graduates. We further recognized that not every faculty member needs to be represented in a graduate field; some faculty may make supporting contributions to the two graduate fields and other faculty may focus on undergraduate education.

Question #3. How can the Department better educate and graduate our PhD and MA students?

The general discussion of the graduate program is presented in our response to Question 2.

Our recommendations here are focused on maintaining and strengthening a tradition of a very strong PhD program. While the placements of PhD graduates are outstanding, the

completion rate for PhD students is currently relatively low. The following recommendations are intended to assist in improving the overall quality of the graduate program:

- We **recommend** dropping the current (standalone) MA program with the thesis and non-thesis options. The program, as currently constituted, does relatively little for the Department and dilutes the PhD program through joint course offerings and competition for faculty time.
- We **recommend** the non-thesis MA degree be retained for students who do not complete their PhD degrees, but do complete sufficient coursework to receive an MA.
- We **recommend** that the Department consider collaborating with other units to offer an applied policy analysis masters degree where economics can play a valuable role in training policymakers and practitioners who go on to enhance economic development for the State of New Mexico.
- We **recommend** the Department should raise the entry requirements of PhD students so that all admitted students have a greater expectation of successfully completing their degrees and less faculty time is dedicated to helping marginal students who do not complete their degrees.
- We **recommend** that faculty change the culture of excessive teaching by PhD students, as the number of courses taught and the number of different preparations exhibited is well above the norm.
- We **recommend** that the Department undertake a review of the content of core microeconomic, macroeconomic and econometrics courses to ensure they present the very latest theory and methods.

The Academic Program Review team's suggestions are to help the Department consider ways to reduce the burden of the MA program, enhance the service provided by a master's program and seek alternatives to enhance revenue to the Department through potentially teaching courses on line. The PhD program recommendations are designed to enhance the quality and impact of this program.

Question #4. How can the Department enhance research productivity, given current levels of support?

The Department of Economics has a strong history and tremendous future potential in environmental and resource economics. Over the last ten years the Department of Economics has increased grant support nearly seven-fold. In addition, the Department has made strong recent hires that allow the development of one or two new areas of research excellence such as health economics. These additional areas should be niche areas, like resource and environmental economics that give the Department a competitive advantage in the face of limited institutional research support.

The research inputs in terms of grant funding and outputs in terms of journal publications are mostly produced by a few members of the faculty. If one of these faculty members were to retire or take another job the Department would take a large research hit. Thus, there is a need for more balanced research performance across all members of the faculty.

There is also a desperate need for additional institutional support for grants at the Department, College and University levels. Existing support is far below what is provided at other PhD granting research institutions, and there are considerable stumbling blocks and “moving targets” within the University that create disincentives to actively pursue research funding.

These two issues lead to recommendations at the Department, College and University levels:

- We **recommend** that the University and College increase incentives and reduce disincentives for research. This might include clear and stable rules for returned overhead, enhanced administrative support and facilitating collaboration across departments and colleges. We suggest that the Department use this opportunity to invest in developing the research programs of junior faculty and senior faculty who need to jump-start their research programs, and to diversify and balance the research performance across the Department.

- We **recommend** that the Department focus on increasing its research portfolio through participation on large, interdisciplinary grants.

Thus, the Department should help itself as much as possible, but great successes cannot be expected without a change in the research culture and infrastructure at the University of New Mexico for supporting research.

Question #5. How Can the Department Best Enhance Revenues To Be More Self-Supporting?

Incremental-base budgeting models are often unresponsive to changes in productivity, leaving programs with rapid growth, like the Department of Economics, inadequately funded. The resulting misallocation becomes particularly problematic when the budgetary environment shifts from one of growth to one of decline. This has been the environment for the University of New Mexico and other universities since 2008. In this environment, the Department of Economics must seek opportunities to become less reliant on College and University funding.

- We **recommend** that the Department consider participating in an on-line professional master's degree in cooperation with other units, in part because tuition dollars will be returned to the Department.
- We **recommend** that the Department increase grant funding. Even with an imperfect overhead return rule this is another mechanism where actions by the Department can increase funding that returns to the unit.
- We **recommend** that the Department negotiate firm commitments of resources from the College and University before undertaking new initiatives.

Question #6. What is the optimal number of T/TT faculty for the Department of economics at UNM, given its programs and goals?

The size of the Department's faculty is too small to support the variety of ongoing undergraduate, graduate, research, outreach and service missions. It is clear that the current faculty size is at a tipping point of falling into an abyss, because the current focus on quantity in many areas is not sustainable. The appropriate faculty size depends on the areas of excellence

the faculty chooses as focus areas and the staffing needed to support these activities. We believe that one action can be suggested even in the absence of resolution on these issues:

- The panel **recommends** that the University move immediately to replace faculty that have been assimilated into full and part-time administration.

With strengths added by replacements, the current faculty provides a solid foundation where investment in additional faculty members can stimulate teaching and research innovation that will provide substantial returns to the University.

Question #7. Given Program Strength and Weaknesses, Are There Key Strategic Moves the Department Should Pursue?

Four key issues cross-cut over the questions posed by the Department to the Academic Program Review team and the issues observed by the team in discussions during our campus visit:

- We **recommend** that the Department engage in a formal planning exercise that is professionally facilitated. The faculty does not have a consensus vision of what they want the Department to be now and in the future, and this lack of a strategic vision is hindering key trade-off decisions. This effort should go beyond setting goals and include key decisions of areas of excellence the Department will support and should further identify areas where the Department will cease support.
- We **recommend** a formal and effective mentoring process of junior faculty. This needs to be an integrated approach at the University, College and Department levels. This mentoring is especially important for hires into interdisciplinary faculty lines, where mentors drawn from the existing Department faculty may not have the expertise to guide the new faculty. We suggest a University-wide program which engages scholars *outside* the University to serve as substantive or specialist mentors, as well as engaging senior faculty on campus. We also recommend that the mentoring program include both “pull” and “push” features; interactions where the advice is solicited by the mentee, and other interactions where the mentor is asked to review the junior faculty’s

workload, preparations, service, tenure statements, and the like from an external viewpoint.

- We **recommend** that the Department collaborate with other departments at the University of New Mexico to push for institutional support for teaching and research and a fair sharing of funds between the administration and academic units. Some of the Department's biggest obstacles are externally imposed by a lack of institutional support at the College and University levels.
- We **recommend** relaxing the rules of governance imposed after the last Academic program Review.

While the revised governance rules have been a success in restoring civility to the Department, these changes substantially increased the administrative burden within the Department. Now that the interpersonal issues have been resolved, the Department may want to consider moving to less **time-intensive** rules of operation.

Overall we feel that the Department of Economics is doing an excellent job and our recommendations are intended to help them enhance performance while not adding more to an already overworked faculty and staff.