

**Poole College of Management - Department of Business Management Restructure**

**North Carolina State University  
Routing for On-Campus Approval of a Department Name Change**

This request has been reviewed and approved by the appropriate campus committees and authorities.

**Recommended By:**



Council of Deans

11/7/2024

Date

**Approved By:**

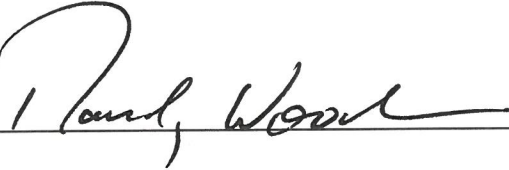


Executive Vice Chancellor and Provost

11/13/2024

Date

**Approved By:**



Chancellor

12/4/24

**Memo**

To: Warwick Arden, Executive Vice Chancellor and Provost

From: Frank Buckless, Stephen P. Zelnak, Jr. Dean of Poole College of Management

Date: August 29, 2024

**Subject: Request to Initiate Restructuring of the Business Management Department**

I am requesting the initiation of a restructuring process for the Business Management (BUS) department within the Poole College of Management. A comprehensive evaluation has revealed that the current structure is outdated and misaligned with both our strategic goals and industry standards.

**Key Reasons for Restructuring:**

- **Lack of Clear Focus and Misalignment with Industry Standards:** The BUS department includes four distinct groups—Finance, Marketing, Supply Chain/Operations Management, and Analytics/IT—which do not logically fit under a single department. This structure is not consistent with the practices at peer institutions, where departments are organized around specific disciplines. This misalignment hampers faculty's ability to define their roles and reduces the visibility and impact of their work.
- **Barriers to Innovation and Strategic Development:** The current structure limits faculty ownership and initiative in strategic development. The broad departmental scope fails to incentivize specialized growth and innovation, affecting both faculty morale and student outcomes.
- **Administrative Inefficiencies:** The diverse composition of the BUS department complicates administrative processes, especially in tenure and promotion decisions, which involve multiple disciplines. The use of area coordinators has not sufficiently mitigated these issues due to their limited authority.
- **Growth and Strategic Alignment:** Key areas like Finance, Marketing, and Analytics are significant growth opportunities for the college. A more focused departmental structure would support targeted development and align more closely with both our strategic objectives and industry needs.

**Proposed Restructuring Plan:**

We propose splitting the current BUS department into three distinct departments that would allow each new department to develop specialized strategies, enhancing our competitive position and supporting faculty and student success. The three departments are:

- Finance
- Marketing
- Operations, Analytics, and IT (name not finalized)

**Financial Impact:**

We estimate a net additional cost of approximately \$60,000 annually. While this restructuring will add two new department heads it will eliminate four area coordinators, resulting in a more efficient structure.

**Conclusion:**

I believe this restructuring is essential for enhancing our college's academic and operational effectiveness. I request approval to begin this process.

**NC STATE**

Poole College of Management

Proposal for Restructuring Departments in the Poole College of Management

June 6, 2024

As the leading “Think and Do” business school, the Poole College of Management must be organized in a way that drives innovation, impact and success. The current departmental structure is limiting our ability to achieve these goals.

The Poole College of Management is home to four departments: Accounting (ACC), Business Management (BUS), Economics (ECON), and Management Innovation and Entrepreneurship (MIE). ACC, ECON and MIE each comprise logical groupings of faculty whose teaching and research interests are fairly closely aligned. These departments are commonly found at top research universities. Business Management (BUS) however, is a legacy of the early days of the College and without exception, no major university has a department with this name and structure.<sup>1</sup>

BUS houses four distinct faculty groups - Finance, Marketing, Supply Chain/Operations Management, and Analytics/IT. At many universities, each of these groups are separate departments (see appendix for UNC system and peer school structures).

The current structure is not meeting the needs of Poole College because:

1. It doesn't foster innovation

- Research shows that smaller groups tend to be more innovative and able to test ideas in “fast fail” models. Larger groups with very different focuses exhibit slower innovation.
- Larger groups tend to provide a dilution of accountability, particularly when distinct groups exist that have very different goals and interests.
- Groups from different disciplines don't share common goals and there is a perception that individual efforts are not recognized.
- Faculty do not have ownership of the strategy and future of the department.

2. It fails to provide recognition for the disciplines

- The department name is a meaningless moniker and obscures the high quality research and programs within the department. Few of our faculty publicly refer to themselves as “professor of business management”. In addition, Poole has two departments both with the title “management”, with only one actually doing “management”.
- The BSBA degree is the largest degree by graduates at NC State and the Finance and Marketing concentrations are two of the largest programs. Approximately 32% of students in the BSBA degree are Finance students and 29% are Marketing students. Approximately 9% of all undergrad graduates at NC State are either Finance or Marketing. (see appendix table).
- Current students identify with their concentrations (i.e. Marketing) but don't have a department home that recognizes their affiliation.
- Employers seek relationships with discipline specific areas, but struggle to find key contact points in the current structure.

3. It creates potential inequity and imbalances in college processes.

- Tenure and Promotion decisions in effect require an additional decision layer as the DVF of BUS includes several disciplines. In practice, the discipline faculty provides a recommendation to the DVF, who then votes.
- Hiring and promotion decisions are voted on by the entire department and yet many faculty in the department have limited knowledge of the discipline they are voting on.

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<sup>1</sup> A few universities (such as Purdue) have one or two super departments with an associate dean who acts as the department head. They then have academic areas with a designated academic lead. For all practical purposes, they act as discipline specific departments.

- Using area coordinators to manage some aspects of the department has not been a complete solution because of the limited authority area coordinators have on faculty matters. For example, the area coordinator does not have the authority to assign service to a faculty member.
- The BUS disciplines tend to be underrepresented at all levels in the college decision making processes

We propose breaking the current BUS department into three new departments.

- Finance
- Marketing
- Operations and Decision Technologies (containing the Supply Chain, Analytics and IT faculty groups). This name is **not** finalized and may be adjusted.

We aim to implement this new structure for the 2025-2026 academic year.

This new structure will **NOT** add more administrators to the College, because while we will create two new departments (with department heads) we will eliminate four area coordinators. The new structure will result in six department heads in the college versus the current structure of four department heads plus four area coordinators (eight total admin positions). The financial impact of this change will be approximately \$57,000 per year. The additional cost of supporting two new department heads is partly offset by eliminating the need for area coordinators.

Existing		Split to 3 Departments		
	BUS	Marketing	Operations & Decision Tech	Finance
Department Head (2/9 of base)	\$45,658.48	\$45,658.48	\$48,370.96	\$48,370.96
Area Coordinators				
- Marketing	\$20,000			
- Finance	\$20,000			
- Supply Chain	\$20,000			
- IT Analytics	\$20,000			
DH Course releases	2	2	2	2
Course release cost	\$20,000	\$20,000	\$20,000	\$20,000
\$10,000 (per course)				
<b>Total</b>	<b>\$145,658.48</b>	<b>\$65,658.48</b>	<b>\$68,370.96</b>	<b>\$68,370.96</b>
		<b>Total New:</b>		<b>\$202,400.40</b>
		<b>Change</b>		<b>\$56,741.92</b>

The new departments will contain the following faculty counts (these are tentative):

<i>Rank</i>	Marketing	Ops & DT	Finance	Grand Total
Assistant Prof	2	2	2	6
Associate Prof	2	5	4	11
Full Prof	6	2	3	11
Lecturer (FT)	0	3	1	4
Sr Lecturer	2	1	1	4
Prof of Practice		2	1	3
Teaching Asst Prof	1	3		4
Teaching Assoc Prof		1		1
<b>Grand Total</b>	<b>13</b>	<b>19</b>	<b>12</b>	<b>44</b>

### Process History

The College originally proposed restructuring the department to the Provost’s office in Spring of 2020. The initial feedback was positive, but then was put on hold due to the pandemic.

Following the adoption of the College’s strategic plan, it became clear that the structure of Business Management was inhibiting the department from effectively contributing to the Colleges top level goals of student success and research impact. As a result, and despite the additional cost, it has become imperative that the college move forward with this restructuring.

The idea of restructuring the department has been discussed throughout the 2023-2024 AY. On May 3, 2024, the Dean met with all the faculty in the Business Management department to discuss restructuring. The consensus at that time was to proceed.

A vote of the BUS faculty was undertaken in May 2024. Of the 44 full time faculty members, 38 voted. 35 (98%) voted in favor of restructuring, 2 voted against and 1 abstained.

## Appendix

**Table 1. The top 10 undergraduate degrees awarded at NC State in 2023 are:**

<b>Degree</b>	<b>Graduates</b>
Biological Sciences	555
Mechanical and Aerospace Engineering	327
Psychology	296
Business Admin - Finance	293*
Computer Science	288
Business Admin - Marketing	264*
Electrical and Computer Engineering	247
Animal Science	205
Communication	197
Civil Engineering	196
Forestry	182

\* Concentration graduates estimated by proportions declaring their concentrations.



**Table 2: UNC System Business School Departments**

<b>NC State</b>	<b>UNC CH</b>	<b>UNCC</b>	<b>UNCW</b>	<b>App State</b>	<b>UNCG</b>
Accounting (ACC)	Accounting	Accounting	Accounting	Accounting	Accounting and Finance
Economics (ECON)		Economics	Finance and Economics	Economics	Economics
Business Management (BUS)	Finance	Finance		Finance	
	Marketing	Marketing	Marketing	Marketing and Supply Chain	Marketing and Entrepreneurship
	Operations	Operations Management, Info Systems	Supply Chain, Analytics, Info Systems	Info Systems	Info Systems and Supply Chain Management
Management Innovation Entrepreneurship (MIE)	Management	Management	Management	Management	Management
	Org Behavior				
	Strategy and Entrepreneurship				

**Table 3: Poole College AACSB Peer Schools Departments**

<b>NC State</b>	<b>Auburn</b>	<b>Oregon St</b>	<b>Texas Tech</b>	<b>VA Tech</b>	<b>WVU</b>
Accounting (ACC)	Accounting	Accounting	Accounting	Accounting IS	Accounting
Economics (ECON)			Business Economics		Economics
Business Management (BUS)	Finance	Finance	Finance	Finance and Law	Finance
	Marketing	Marketing	Marketing and Supply Chain	Marketing	Marketing
	Analytics and Info Systems	Info Systems	Info Systems	Business Information Technology (contains IT, analytics, Supply chain)	Management Info Systems
	Supply Chain	Supply Chain			General Business (contains entrepreneurship, hospitality and supply chain)
		Analytics			
		Design			
Management Innovation Entrepreneurship (MIE)	Management and Entrepreneurship	Innovation & Entrepreneurship	Management	Management	Management
		Law		Hospitality	
		Management			