

October 4, 2004

TO: Jon Sticklen, Chairperson
Executive Committee of Academic Council

FROM: Lou Anna K. Simon
Provost and Vice President for Academic Affairs

SUBJECT: Request for Consultation: Proposal for the Merger of the Department of Advertising and the Merchandising Management Program

The Deans of the Colleges of Communication Arts and Sciences (CAS) and Human Ecology (CHE)) have requested that the Merchandizing Management Program currently housed in the department of Human Environment and Design in CHE be merged with the Department of Advertising in CAS. It is further requested that the expanded department be administered solely in the CAS and that its name be changed to the "Department of Advertising, Public Relations and Retailing" to reflect this action. A proposal describing the background, rationale, substance and implications of the realignment is appended for your and the Executive Committee of Academic Council's consideration.

As indicated in the appended document, this proposal evolved as a result of the blueprint for change entitled, "*Realizing the Vision*". Among the initiatives presented in that document was one that would realign the programs in the College of Human Ecology (CHE) in order to create more synergies across disciplines and to develop programs with greater intellectual possibilities and greater potential for being distinctive. With regard to the Merchandising Management program, the blueprint suggested that this program be realigned with other business related programs. The Merchandising Management faculty concurring with this strategy and direction, began to explore realignment possibilities by engaging in a variety of discussions with programs across campus, including the Department of Advertising. As noted in the appended document, the meetings between the faculties of Merchandising Management and Advertising revealed commonality in educational orientation and research interests (a strong consumer behavior focus). Further and from the discussions, a sense of collegiality between the two groups emerged. On the basis of these shared values and interests, the faculty of both groups voted unanimously to pursue merger discussions (April 6, 2004 for Merchandising Management; April 29, 2004 for Advertising). The appended proposal to merge the Merchandising Management program with the Department of Advertising is the product of these discussions.

The deans have informed me that the proposal for merger has been reviewed and approved by the full faculty of the Department of Human Environment and Design and the Department of Advertising. It has also received the support in the College Advisory Councils of CHE (Unanimous approval on September 1st) and CAS. Within CAS, the proposed merger was approved unanimously and enthusiastically on September 3rd, though the proposed name of the new unit, “Advertising, Public Relations, and Retailing,” was the subject of considerable debate before being approved on October 1st. The Dean of the Broad College of Business indicates that the shift of “Merchandising Management” to “Retailing” would not create any problems for business programs and would, in fact, resolve potential issues related to the uses of the term “Management” in programs that are not accredited by the AACSB.

With consultation now completed at the unit and college levels, I seek the advice of the Executive Committee of Academic Council as to whether other University-level academic governance committees should be consulted with regard to both the proposal and the new name for the Department of Advertising. The deans of the colleges and unit faculty will be available at the October 12th meeting to respond to any questions.

CC: Members, Executive Committee of Academic Council
Acting Dean Salmon
Acting Dean Song
Chairperson Reece
Professor Sternquist
Assistant Provost and Assistant Vice President Banks
Assistant Provost and Dean Klomparens
Assistant Provost and Dean Youatt
Dean Emeritus Abbett

**Proposal for the Merger of the Department of Advertising and the Merchandising
Management Program at Michigan State University
August 19, 2004**

- Background

On February 18, 2004, Provost Lou Anna Simon released a document entitled “Realizing the Vision,” which puts forth a number of initiatives intended to strengthen undergraduate and graduate education at Michigan State University, expand living and learning options, and organize the liberal arts core for the 21st century. Among the initiatives was one that would realign the programs in the College of Human Ecology (CHE) in order to create more synergies across disciplines and to develop programs with greater intellectual possibilities and greater potential for being distinctive. The Provost’s plan recommended that the Merchandising Management Program be realigned with other business related programs. To explore realignment possibilities, the Merchandising Management faculty engaged in a variety of discussions with programs across campus, including the Department of Advertising.

Following initial conversations by Acting Dean Charles Salmon of the College of Communication Arts and Sciences (CCAS), Acting Dean William Abbett of CHE, and Department of Advertising Chairperson Bonnie Reece, the faculty of Merchandising Management met with senior faculty from Advertising on April 5, 2004 to discuss the possibility of a merger. From these discussions, similarities in educational orientation (a strong consumer behavior focus) and research interests emerged, along with a sense of collegiality. On the basis of these shared values and interests, the faculty of both groups voted unanimously to pursue merger discussions (April 6, 2004 for Merchandising Management; April 29, 2004 for Advertising). The Merchandising Management program has been housed in the Department of Human Environment and Design; therefore, they began discussions with their home department about the merger with Advertising. In a Department of Human Environment and Design meeting on April 16, 2004, the Merchandising Management faculty made their wishes known, that they would be pursuing a merger with Advertising. The Department of Human Environment and Design voted by formal ballot on May 12, 2004 to approve the merger.

The Merchandising Management faculty was invited to a previously scheduled Advertising planning meeting on May 11, facilitated by Dr. John Beck of LIR. Because of the new developments related to the merger, the meeting was refocused to develop a set of strategic priorities for the merger. Time was spent on creating a name and mission statement for the proposed, expanded department and on providing input to committees that would work on linkages between the programs for undergraduate education, graduate education, research, and outreach.

The recommended name for the new unit is the Department of Advertising, Public Relations, and Retailing (APRR). Adding Public Relations and Retailing to the department name will facilitate marketing the department because prospective students

will be better able to identify the programs as they search for programs in these subject areas. The undergraduate degree programs will continue to exist as separate majors, but there will be some harmonization of program requirements and some courses in each major will be opened to those in the other programs. Eventually, internship programs will be centrally coordinated. The M.A. and M.S. degree programs will continue to be separate majors, with a plan to develop academic specializations within each program that enables the sharing of resources and the creation of unique academic opportunities for students. There is a strong desire to develop a joint, department level doctoral program.

- Proposed Actions

It is proposed that effective January 1, 2005 the Department of Advertising be expanded to include the programs and faculty of the Merchandising Management program currently housed in the Department of Human Environment and Design in the College of Human Ecology. It is also recommended that this expanded department be renamed consistent with its current and expanded academic programming and that it be housed in and administered solely by the College of Communication Arts and Sciences. Specifically, the combined faculties have proposed that the expanded department be named the “*Department of Advertising, Public Relations, and Retailing.*”

- Rationale for Name Change

The faculty proposes to add Public Relations to the department title to reflect the significant public relations content that is taught by faculty in the existing Advertising Department. Specifically, the Master of Arts program in Public Relations has been housed in the department since 1976, and the department also teaches the Public Relations courses within the college-wide undergraduate Public Relations specialization. No other department in the college teaches courses with Public Relations in the title, although the faculty acknowledges that some PR content is taught in courses outside Advertising. There is no other department or college with Public Relations in its title at MSU; this noticeable omission needs to be rectified so that students are aware that PR is taught at MSU.

It is proposed that the name of the Merchandising Management program be changed to Retailing and included in the expanded department's title. There are three reasons for this change. The first is that the title more accurately expresses the content of the program. Secondly, Retailing is the term used to describe the industry, so it is more parallel to the other two industry terms, Advertising and Public Relations, in the department name. The final reason is that students will be able to find this major more easily because it is a term with which they are familiar. There is no other department or college at MSU with Retailing in its title.

- Degree Programs

There will be Bachelor of Arts and Master of Arts degree programs in Advertising. There will be a Master of Arts degree in Public Relations. The Advertising department has participated in the interdepartmental Mass Media Ph.D. program within Communication Arts & Sciences. The department will continue to participate in the undergraduate specialization in Public Relations with the Department of Communication and the School of Journalism. There will be Bachelor of Science and Master of Science degree programs in Retailing. Students who are currently enrolled in the Merchandising Management bachelor's and master's degree programs will be able to complete their respective programs.

Merchandising Management has participated in the Department of Human Environment and Design's Ph.D. program. All currently enrolled doctoral students in this will be able to complete their respective programs. Assuming approval of the merger, the faculty is currently developing a proposal to offer a coordinated Ph.D. program with Advertising and PR under the auspices of the expanded department. Upon completion of the merger, the proposal will be submitted to the college and the Graduate Council for review. Building on the scholarship and research of the faculty, the proposed program will emphasize research developments related to advertising, public relations, and retailing. Though the program will be administered by the expanded department, course offerings will continue to be available to and coordinated with the interdisciplinary Mass Media doctoral program for the School of Journalism and the Department of Telecommunication, Information Studies, and Media.

- Collaborative Activities with other Units

Advertising collaborates with the College of Agriculture and Natural Resources in the undergraduate specialization in Public Relations. ANR Communication students are allowed to apply for this specialization, and AEE 401, ANR Communication Campaigns, is one of the courses that can fulfill the campaigns requirement of this specialization. The undergraduate Advertising and Retailing programs have course requirements in the College of Business. Graduate programs also have recommended or required courses in the College of Business. In addition, there are numerous examples of research collaboration between faculty members in the expanded department and those in units within CCAS and those in other units on campus. It is likely that there will be some joint appointments between APRR and ANR Communication.

Merchandising Management and Food Industry Management have proposed a series of undergraduate specializations so Food Industry Management students could develop a specialization in Retailing, and Retailing students could develop a specialization in Food Industry Management. Additionally, both majors could select the Information Technology specialization cosponsored by the Colleges of Communication Arts & Sciences, Business, and Engineering.

Merchandising Management has a collaborative arrangement with Christelijke Hogeschool Nederland in Leeuwarden, the Netherlands. This program is an undergraduate student exchange experience.

None of these collaborations will be threatened with the merger. Rather, it is expected that the cross-programmatic synergy resulting from this merger action will enhance and potentially expand these collaborations.

- Common Research Interests in Programs to be Integrated into the New Department

The faculty members in APRR have identified the following common areas with high potential for interdisciplinary research and outreach: (1) international and cross-cultural commerce; (2) technology in commerce; and (3) creativity in commerce. A number of more specific topics for research collaboration were developed during a brainstorming session. These included advertising, public relations, and retailing aspects of health care and banking, consumer perceptions of risk, corporate reputation, global branding, data mining techniques, and channel relations. It is likely that an APRR research center will be developed in the future to facilitate grant activities, to serve industry clients, and to expand outreach activities.

- Options for Joint Activities and Resources

The following is an abbreviated list of activities in which the Department of Advertising, Public Relations, and Retailing expects to participate.

- Newly formed interdisciplinary Ph.D. program with specializations in each program area as well as opportunities for use by programs such as Food Industry Management and Hospitality Management
- Expanded joint faculty appointments across unit and/or College lines
- Joint grantsmanship activities
- Joint research and outreach initiatives
- Expanded industry advisory board (to supplement the current advisory boards in Advertising and in Merchandising Management)
- Joint research center
- Dual or major/minor master's degrees and certificate programs
- Cross-listing of courses
- Common course, Consumer Behavior, will be required for all students in the department and taught by members of participating units.

- Relative Size of Programs

The table below shows the relative sizes of the units involved. The integrated unit would have more than 1250 undergraduate students, 70 master's students, and 20 doctoral students. In Advertising, there are 10 faculty members in the tenure system plus 5 full-time fixed-term people. Due to administrative appointments, this equates to 13.25 teaching faculty, for a 70:1 student/faculty ratio. This ratio actually understates

the effective load, because faculty members in Public Relations are responsible for teaching courses in the undergraduate specialization, and about two-thirds of those students are from outside the Advertising major. In Merchandising Management, there are five faculty members in the tenure system, but split appointments make this equivalent to about 3.75 people, for a 112:1 student/faculty ratio. Merchandising Management has been promised three new faculty lines, one of which would be split with Food Industry Management, and one split appointment will be converted to full-time, so the future student/faculty ratio should decline to about 63:1.

Table 1. Faculty and students in participating units (Spring 2004, OPB web site)

Unit	Tenure System Faculty	Specialists/Fixed Term Faculty	Undergrad Students	Master's Students	Ph.D. Students
Advertising	10*	5	846	63	15
Merch. Mgt.	5**	0	411	10	9
Total	15	5	1257	73	24

* Includes Reece (dept. chair) and Salmon (acting dean)

** Includes Pysarchik and Kwon, who have partial appointments

- Faculty Reassignment Plan

The APRR department chairperson will administer the faculty. Assuming merger approval, Merchandising Management appointments will be transferred to the APRR department effective January 1, 2005. The APRR department will assume responsibility for unit-level academic personnel decisions (assignment, annual review, salary adjustment, appointment, promotion and tenure) consistent with the Academic Personnel Policies and Procedures of Michigan State University and the requirements associated with the participating colleges. While the APRR department will be functionally responsible for personnel decisions effective January 1, 2005, the 2005-06 academic year will be considered as a transitional year during which the leadership and governance structures of the faculty member's former unit will be consulted in personnel decisions.

- Fixed Term Faculty, Academic and Non-academic Staff Reassignment Plan

The Merchandising Management non-academic staff position will be transferred from Human Environment and Design to APRR. This position is designated as core support for the teaching/research and outreach of the Merchandising Management program. This position is in addition to the current non-academic staff positions currently in Advertising.

The College of Communication Arts & Sciences has centralized advising for undergraduate majors within the college. Because of the increased workload associated with the addition of 400+ more undergraduate students, an additional Specialist/Advisor will be transferred from Human Ecology Advising Center to the CCAS Student Services unit.

- Administrative Structure

The APRR department will be administered by a chairperson, who reports to the Dean of Communication Arts & Sciences. This chairperson is selected in consultation with the department faculty. The Advertising and Merchandising Management programs have well-established national and international reputations; therefore, the unique program identifications and visibility will be maintained. Because each of the programs of the department has discrete undergraduate and master's degree programs, each program will have a Program Coordinator. The program coordinators will report to the department chairperson for all operational matters.

- Governance Structure

The bylaws of the expanded department are currently being developed in conformance with the bylaws of the Colleges of Communication Arts & Sciences and the MSU Bylaws for Academic Governance. Upon completion, the bylaws will be submitted to the CCAS CAC for review and approval. In developing the governance structure, emphasis is given to the promotion of integrative (cross-programmatic) faculty decision making while sustaining the essential content integrity of the discrete programs.

- Implementation Plan

The following implementation plan has been proposed with the concurrence of the deans of Communication Arts & Sciences and Human Ecology.

1. November 15, 2004: Presidential approval to merge Merchandising Management into the department of Advertising and to change the name of the expanded unit to the Department of Advertising, Public Relations, and Retailing.
 2. January 1, 2005: Establishment of the merged department of Advertising, Public Relations, and Retailing (APRR)
 3. February 4, 2005: CAS College Advisory Council approval of proposed Ph.D. program
- Consultation with Affected Faculty and Faculty Governance

In consultation with the deans of Communication Arts & Sciences and Human Ecology, the following consultation has been or will be undertaken to inform administrative decisions related to this action:

April 2004	Vote of approval by Advertising faculty
April 2004	Vote of approval by Merchandising Management faculty
May 2004	Vote of approval by Human Environment and Design faculty
September 2004	Approval of merger recommended by Communication Arts & Sciences College Advisory Committee
September 2004	Approval recommended by College of Human Ecology College Advisory Committee
October 2004	Approval of proposed unit name recommended by Communication Arts & Sciences College Advisory Committee
October 2004	Presentation to Executive Committee of the Academic Council (ECAC)
November 2004	Presentation to Provost and President for action

- Consultation with other Affected Units

The proposal to change the name of the Department of Advertising to the Department of Advertising, Public Relations, and Retailing will be circulated to the deans of the colleges for comment at the beginning of the Fall Semester 2004. Commentary will be collected and submitted to the Provost for consideration in advance of authorizing a change in unit designation.

Enclosure: Department Mission Statement

Department of Advertising, Public Relations, and Retailing

The newly-formed Department of Advertising, Public Relations, and Retailing (APR) links communication to commerce through the merging of Michigan State University's (MSU) signature programs in these fields of study. Graduates of these programs will be prepared to plan, implement and evaluate promotional and retailing strategies. The focus on global best practices and research-based knowledge in these industries is unique to MSU. The combination of the creative with the managerial expertise provides a difficult to duplicate advantage. Students will be well-versed in theories from the social sciences and economics so that they are able to innovatively analyze, diagnose and solve managerial and creative problems.

MISSION STATEMENT

It is the mission of the Department of Advertising, Public Relations, and Retailing to provide leadership to their respective industries through world-class programs that emphasize the importance of research, outreach and teaching excellence. To accomplish this mission, we will:

- Generate and disseminate new knowledge to our constituent groups of academic, governmental and industry colleagues, and students.
- Monitor and assess the global business environment to identify and interpret dimensions of change and incorporate them in our programmatic thrusts.
- Evaluate and integrate important new technologies and technological strategies that are changing the nature of audiences, publics, customer relationships and the business environment.

DEPARTMENTAL GOALS

- 1) Establish awareness and a reputation for the new departmental concept of allying the marketing disciplines of advertising, public relations, and retailing.
- 2) Continually advance the reputations of the department's programs in advertising, public relations, and retailing.
- 3) Increase extramural funding for research and program development.
- 4) Expand international programs and research agenda.
- 5) Expand delivery modes and use of technology for all APR programs to attract and provide access to non-traditional audiences (e.g., summer or weekend programs, certificate programs, on-line degrees, etc.).

- 6) Bridge academic and practitioner gaps in the generation and dissemination of research results.
- 7) Encourage entrepreneurial initiatives in teaching, service and research.
- 8) Foster an environment that encourages inter- and intra-program collaboration on teaching, program development, research and service.
- 9) Develop partnerships with organizations and firms to provide access to the latest technologies and research data about these technologies.
- 10) Develop research strategies for the evaluation of new technologies and integrate the results into the curriculum and outreach activities.
- 11) Become an acknowledged source of credible evaluative information for key technologies in advertising, public relations and retailing.