

The Budgetary Importance of Building Relationships

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Being political is not a dirty word. That is sometimes hard for people to hear because they think that PR, marketing, and politics imply duplicity or lack of truth in advertising, but that is not the case. If there is no truth in advertising, nobody is going to buy your product more than once. However, you have to package the truth and you have to reach out.

~University Librarian B

What a library can accomplish is greatly influenced by the size of its budget. Budgets allocate scarce resources and academic institutions are usually faced with demands for funding that are greater than their limited assets. Consequently, their administrators must decide how to allocate resources between alternative uses. Because the goal of academic institutions is fulfilling their mission instead of maximizing profits and because one cannot use a calculation to determine which alternative best fits an academic institution's mission, it is easier for political considerations to become a part of the fund allocation process in academia than in a for-profit company. As a university chief financial officer has said, "While most in higher education espouse generic goals like quality and access, there are great differences of opinion about the finer structure of what is important. Because there is no 'bottom line,' decision makers must work with subjective, multidimensioned, and usually controver-

sial definitions of value."¹ In such situations, "the decisions taken on behalf of the organization as a whole are likely to reflect the goals of those who prevail in political contests, namely, those with power in the organization."² As a result, micropolitical pressures from within the institution are able to change the way funds would otherwise be allocated. "Micropolitics" can be understood to mean "the use of formal and informal power by individuals and groups to achieve their goals."³ Using micropolitics to influence the budget planning process is critical to maximize the library's resources, and thus, being able to supply more of the resources that one's customers require. Consequently, it would be instructive for library managers to know the micropolitical budgeting strategies and tactics that others employ.

Statement of the Problem

What an academic unit, such as a library, can accomplish is greatly influenced by the amount of money that it has available. Because of the problem of the scarcity of resources on college campuses, the maximization of one's budget is important for academic librarians. The identification of successful strategies and tactics for maximizing budgets is critical in helping to fulfill the requirements of a library's customers. Awareness among directors of libraries of these strategies and tactics will help them choose the ones that they think will help them grow their budgets and, consequently, enable them to better fulfill their mission by improving how

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they serve their campuses. Without this knowledge, university librarians will have greater difficulty receiving budget increases that meet, or exceed, the rate of inflation of a library's costs. Failure to receive increases will result in disappointed and frustrated patrons.

The "micropolitics" can be understood to mean "the use of formal and informal power by individuals and groups to achieve their goals."⁴ Few studies have investigated the micropolitical strategies and tactics that heads of major academic units use to increase their allocations, and none has included library directors. An exploratory investigation into the types of strategies and tactics that administrators use during the budget creation process will begin to fill a gap in the scholarly literature about how academic administrations function. As well, since one of the best methods to find better procedures is to see how others have managed their practices, it will help librarians maximize their budgets.

Review of the Literature

When studying the micropolitical strategies and tactics college administrators use during the budget making process, there are a number of subjects one can read about to learn of the factors that influence universities financial plans. First, one should learn about the different types of budgets that academia uses. It is important to learn about the factors that influence the budget creation process, one of which is organizational culture, since these might influence the kinds of budget strategies and tactics that will be successful. In addition, awareness of how one properly conducts diplomacy and marketing assists in getting one's priorities onto a university's organizational agenda. Furthermore, knowing about micropolitics and the budgeting strategies and tactics that others use is critical because this will provide one with possibilities from which to choose. There are a plethora of pertinent texts on these topics, which are reviewed elsewhere.⁵

Study Procedures

The objective of this study was to determine the strategies and tactics that university librarians and heads of other major units use during the budget-making process to maximize the funds that they will receive. This study took a qualitative approach since the research was exploratory in nature. The principal means of data collection was by conducting interviews. The researcher also collected documents, such as budgets and orga-

nizational hierarchies. This study conducted four on-site, semi-structured interviews in 2007 at each of five public research universities in the northeastern United States. These are referred to as universities A, B, C, D, and E. During the 2006 fiscal year each was a Carnegie Classification Research University, had between 9,000 and 23,000 full time equivalent (FTE) students, and had library budgets of between \$6.5 million and \$15 million. At each campus, the researcher interviewed the university librarian, the dean of a teaching unit, the director of a non-teaching unit, and the university's budget director. Because the participants were guaranteed anonymity, they are referred to by their position and campus (e.g., "University Librarian A" means that this person directed the library at University A). All of the unit heads, including the library directors, were at the dean level in their respective hierarchies. Consequently, these unit heads have to interact with central administrators to receive resources and are the most likely to use various strategies and tactics in an attempt to maximize their budgets. The budget directors provided a more objective perspective on the administrators' actions and assisted in creating a more holistic analysis of the strategies and tactics used during the budget making process.

Because of the exploratory nature of this inquiry, this researcher employed the constant comparative method of data analysis. The researcher first looked for themes, patterns, and regularities in the data. Parts of each of the interviews were then put in the various categories. Once the researcher had conducted all of the interviews and coded the results, this study had a second person classify the data to demonstrate coder reliability and the reliability of the findings. The researcher used Krippendorff's Alpha to determine that there was a statistically significant amount of agreement between how the two coders did the coding.

Findings

One can think of micropolitical budget *strategies* as the *general* courses of action that one adopts to use formal and informal power to achieve one's budgetary goals in an organization. Because the budgetary strategy that one selects can influence the tactics one chooses, one can think of micropolitical budget *tactics* as the *particular* courses of action that one adopts to achieve one's budgetary goals in an organization.

While reviewing the interviews, the researcher noted that these strategies and tactics could be used

either directly on those who formally decide the unit's budget or indirectly to try to sway their decisions by having others attempt to influence them. Furthermore, this study determined that this could be done either through the formal budget process or via some informal method. Consequently, one can create four categories of budget tactics that are differentiated by the circumstances under which they were used: 1) directly with the budget authorities immediately above the unit head in the organizational hierarchy as part of the formal budget process; 2) directly with the budget authorities in an informal way; 3) as part of the formal budget process indirectly influencing the budget authorities via other people; and 4) having others influence the budget authorities in an informal way. These methods can be thought of as the four basic strategies for influencing the budget process.

Direct and Formal Tactics

"Direct and formal" tactics are those that a unit head would use directly on budget allocators as part of the formal budget process. Given the importance of obtaining money through the budget process and the fact that all of the interviewees report directly to a vice president of their universities who has budgetary power, it is not surprising that many of the tactics that the respondents discussed were about their direct interactions with these supervisors during the formal budget process. Often these tactics concerned how one presents the budget proposal, but different tactics dealt with interacting with budget allocators in other formal settings. The direct and formal strategy included over half of the tactics that this study found. This was a result of the fact that direct contact with budget allocators in a formal setting provided an obvious opportunity for attempting to "sell" one's priorities.

One example of a tactic that fits within the direct and formal strategy is to present the library as supporting the university's goals and objectives. Ten of the twenty participants in this study and at least one person on each campus mentioned this tactic. For example, Director of Athletics B said,

When you frame everything around the benefits that come from your unit, you have to stress how it works within the mission of the institution with the academic priorities remaining paramount. When you have that kind of thing it can be really, really powerful.

I really do believe that is one of the reasons we are gaining in support here.

Two other direct and formal tactics that this study found to be widely used were proving to be fiscally responsible and providing well justified, clear, and concise budget proposals.

Direct and Informal Tactics

A second basic budget strategy, "Direct and Informal" includes tactics that directly try to persuade budget allocators, but not in a formal budget setting. This is a fairly heavily used method, no doubt because these unit heads directly report to vice presidents who help allocate their money and, thus, meet them on a fairly regular basis in a variety of settings. Most of these tactics were to "set the stage" for the upcoming budget proposal. Nevertheless, it seems that the tactics within this strategy play an important role in getting funding.

One example of a direct and informal tactic is the need to build ongoing relationships with budget allocators. Six of the twenty interviewees and at least one person on four of the five campuses gave this type of response. Dean of Education E articulated the importance of forging these relationships instead of just relying on the budget presentation.

Do not put all of your eggs in the one basket of that one meeting. You do it not to brow-beat them and you do not overstate it; you just work it into your conversations wherever it is appropriate....When they say, 'How are things going,' you do not just give one-word answers—you take advantage. You just assume that they want to know or they would not have asked. You give, not a page long reply, but you give a paragraph so that they can understand at least one dimension and then another time it is another dimension.

Two other widely espoused direct and informal tactics were to convey your unit's strengths and to balance between asking for funding too often and not enough.

Indirect and Formal Tactics

Of the four basic budget strategies, the interviewees mentioned the fewest tactics under the "Indirect and Formal" category. This makes sense since it requires

convincing somebody who is from outside of the unit to be willing and able to speak out in support of the unit during the formal budget process. It is interesting to note that the vast majority of those who mentioned tactics from this strategy were librarians. This could be because their mission ends up helping many people across campus, which results in having people outside the library being interested in it getting funding for this or that library proposal.

Essentially, the only difference in the few tactics in this strategy is why they are willing to ask for support for the unit in question. For example, sometimes a library has an official advisory committee that can make the case for the unit. University Librarian E noted that the library has

a Faculty Senate library advisory committee. They are very helpful in helping to make a case for the needs of the library....Of course, they [the budget allocators] expect me to say it, so if I can have faculty and other users say it, then it works better.

Other people who might be willing to speak in your behalf are those who are making a joint request with the library and off-campus groups who will directly or indirectly benefit from any budget increase.

Indirect and Informal Tactics

The last strategy is to use tactics that convince others to support your resource needs outside of the formal budget process. Of the four strategies, this one included the second largest number of tactics. While in some instances tactics that are both indirect and informal aim at getting people to take specific actions, the motivation behind many others is to create a more favorable or appreciative atmosphere on campus. This is the category of tactics where one is the most likely to use concepts from the fields of diplomacy and, especially, marketing. Although there is a cost, often of time and effort, to get support from outside of one's own unit, this investment can bring back a return through needed support for additional funding or cooperative initiatives that either save money or improve operations without increasing costs.

One of the most frequently mentioned tactics in this strategy was that it can be beneficial to court various stakeholders. Seven respondents from four of the

five campuses cited this one. As University Librarian B stated,

The student voice is very powerful. I am pretty direct with students and the faculty and say, 'OK, now it is up to you because the provost is only going to listen to me so much because I am the librarian, what else am I going to say?' I really encourage students to organize and to send petitions. I do the same thing with the faculty. I think that is important, especially for the students. They sometimes do not understand how powerful their voice is. I have found that they have been very useful.

Two other examples of this type of tactic are to build relationships with other units, and to talk to other unit heads to build support or reduce opposition for an initiative.

Discussion

Although there is no set of rules that can be used to manage every type of operation, there are tactics that a number of managers have found to be helpful. The complexity of universities means that each is in some way distinctive and, thus, there cannot be a universal set of tactics that one can use. A tactic found to be useful on one campus may only work within a certain budget system or with a specific person. The bottom line is that because of the many variables that can influence the budget process in academia, there is no set of prescriptive steps that will assure success.

Nevertheless, this study's results indicate that, while there are no specific actions that can promise that managers will get the resources they need, there are some basic principles that an administrator should keep in mind to improve the odds of success. One needs to keep these in mind while also taking into account the institutional environment, including the political variables as well as the fiscal ones. A manager in higher education should be aware of, and open to, the possibility of using these sorts of micropolitical strategies and tactics because others are using them.

This leads us to the first principle: success in resource allocation battles is the result of a combination of good policymaking and sophisticated political calculation. Consequently, the observation that "if politics is regarded as conflict over whose preferences are to prevail in the determination of national policy,

then the budget records the outcomes of this struggle⁶ is just as true in academia as it is in the federal government. Nevertheless, solid policies are needed or else the political maneuverings will not be sustainable due to a lack of substance. There are far too few managers who steer the politically prudent course between the Scylla and Charybdis of political naïveté and cynicism.

What one needs to do is to correctly calculate the cost, both monetarily and politically, of a change and determine what its worth would be. From this cost-benefit analysis one must judge whether or not the price would be too high. There is no sense in spending a great deal of precious political capital on something of little value. Money is not the only type of resource that a unit head should use prudently. Because of this, one of the things that University Librarian D does

is to know when to accept defeat. I do not accept defeat forever, but I stop arguing the case when I have lost and wait for the timing to be right...and then try again. Maybe do it with a slightly different group or a little different spin or something. However, there are times you are just not going to win.

Even if the cost of getting an initiative accepted is too high now, there might well be a better time to push for it. This leads into the second principle, which is that a manager should be vigilant for naturally occurring opportunities that can be taken advantage of to advance an issue that is of importance to the unit. A few of the interviewees made statements similar to the one by Dean of Liberal Arts D, who said that priorities at a university

rise or fall in the pecking order depending on what is perceived as a critical need, both nationally and locally.

Consequently, a unit head should be prepared with a proposed solution when an issue one cares about rises to the top of the institution's agenda.

This is related to the third principle: unit heads need to work to make the environment more favorable for those initiatives that they want to accomplish. Certainly, this is advanced when unit heads keep their superiors knowledgeable of the issues facing the unit. Doing this alone, however, is not enough. One must

also work to find people outside of the unit to advocate for one or more of its concerns or find a unit that will work cooperatively to help fill a need. Either way, this is done by building relationships with others on campus. This networking with others takes the use of diplomatic skills and should not only be done as a feel-good exercise, but as a critical action in the attempt to shape events on one's campus. As a result, developing interpersonal skills is important. As the Director of the Fine Arts Center A said,

It takes lots of networking. It is about friend-raising. I use that strategy for everything that I do....You have to find out what their mission is and their goals are and then I have to determine what I can do to enhance those. It has to be something that is going to be mutually beneficial.

During these discussions with others one should be looking for win-win situations with these interlocutors. When doing this, one must be imaginative when considering the two units' strengths and needs. There are a multitude of possibilities for collaborative work.

One must remember, however, that because every unit has different interests one must determine one's allies on an issue by issue basis. The tactics mentioned above are among the ones that the most interviewees found to be helpful. Because there are so many budget participants on a campus and so many situations that one needs to address, for any given issue there are many possibilities to "friend-raise," that is to find others whose interests are aligned with yours. "As well as being alert to common interests, the support-seeker must be sensitive to the relative power of the people he endeavors to attract."⁷ Furthermore, instead of needing assent from all players to advance one's proposal, often one only requires it from specific participants or a certain number of them. This demonstrates that not only conflict, but also cooperation plays a role in micropolitics.

Different units and other groups on campus have distinct concerns because they have different assets and liabilities. It is important that the unit head maximize the former and minimize the later. One way to do this is to look for other units that are in need of what yours has in abundance and has what you require. The current era has been referred to as the information

society because of how critical knowledge is to how the economy currently functions. This is even truer in an academic institution. As a result, academic librarians should be able to take advantage of this need for what librarians gather, organize, and disseminate to build relationships with units across campus that can benefit from what we can offer in exchange for what we need. Another way to reduce a unit's vulnerabilities and make the most of one's resources "is to create a device that legitimates one's own authority and diminishes the legitimacy of others."⁸ For example, libraries should play up any accreditation standards that require the parent institution to better fund collection development.

Another principle is that when deciding which tactic to use in a particular situation one needs to carefully anticipate and weigh the costs and benefits. When determining which tactic will maximize one's expected return while minimizing the expected cost, one has to take into account the many particular elements of the situation, including one's own situation as well as the characteristics of the person to be influenced. One should follow Sun-Tzu's advice: "Do not repeat the tactics which have gained you one victory, but let your methods be regulated by the infinite variety of circumstances."⁹ Thus, it is wisest to have a full arsenal of tactics and determine which ones function best in a particular setting. One should have plenty of tactics to choose from after learning about the very large assortment of tactics found in the dissertation that is the source for the ideas presented in this paper.¹⁰ The key is not to attempt to create new tactics to use, but like targeting one's message in marketing, to carefully select which budget tactics to use under a particular set of circumstances.

The fifth principle is that one must understand what it is that those who influence the budget allocation system value, instead of just assuming to know what factors are important. This is derived from the basic truth of organizations that it is the institution itself and not the sub-unit that determines the importance of a resource.¹¹ The results from one multiple-campus study are both enlightening and supportive of the truth of this principle. The research found that, while university librarians correctly understood many of the variables that their chief financial officers thought were important in determining the size of their budgets, there were some significant differences. The university librarians generally thought library re-

lated variables were more important than their chief financial officers did. More specifically, university librarians tended to overvalue the status of the library director, the library's plan for development, and the level of participation by the librarian in the budget presentation. In addition, those that they tended to undervalue were student support and the budget director's recommendation.¹²

Note the variety of tactics just alluded to. The budget presentation is a direct and formal tactic, student support is likely an indirect and informal tactic, and the budget director's recommendation is probably an indirect and formal tactic. This variety of strategies and tactics leads to the sixth and final principle: that to optimally advance one's fiscal priorities a unit head must be vigilant for opportunities to use tactics from each of the four strategies that this study discusses. This researcher believes that one would be better off using tactics from all four of the strategies than by using the same number of tactics, but having them all come from one strategy. By following this guidance, administrators would vary the methods and voices that they use to attempt to convince budget allocators to provide larger budget allocations. Furthermore, to be aware of and to be prepared to use multiple tactics from each of the strategies would allow one to assess the situation and then to pick the most appropriate strategy for that and then the best tactic for the strategy to succeed at the least cost. For example, if money is needed for a particular project, the director of this unit could use three tactics that all are from the same strategy. Thus, one could work only within the direct and formal strategy. One could do this by benchmarking against what similar institutions are doing, varying how the official budget presentation is done based on the preferences of the allocators, and lightening up the presentation with a joke or two. On-the-other-hand, one could handle this situation by using three tactics from three different strategies. One could explain the need informally to one or more of the most pertinent of the budget allocators before the money is officially asked for, which would be using a direct and informal tactic. Then one could look for others, such as students, to communicate their support to the allocators, which would be using an indirect method. Finally, one can take the direct and formal approach of officially asking for the funding. From these examples it would certainly seem that the use of tactics from multiple strategies would be more likely to suc-

ceed in getting additional funding since the allocators would be hearing about the proposed funding at various times from multiple people, instead of only hearing from the director of the unit that wants to get the money. Even if a unit head only used one indirect informal tactic, such as working with constituent groups to gain their support, this unit would be likely to find itself in a much friendlier environment than if it did not use any. This is because often one or another of these groups that the unit head nurtured would be willing and able to lend its support. One time it might be the student government, another time alumni, and yet another time a faculty committee. As a result, while one would have to invest time to build these relationships, this investment in social capital is necessary if one wants more assistance from those outside of one's own unit. And if one tactic from a different strategy is helpful, imagine how much more effective one would be at raising support for the unit's goals if one was aware of the full array of tactics that the research found. In that case, a unit head could select the one or ones that best matched a particular situation, thus making the task of gaining outside support much easier.

Conclusion

This study contributes to the understanding of how academia functions and provides practitioners with insights into how to optimally interact with others in higher education administration, rather than adopting a defeatist attitude. Although many associate politics with creating antagonisms, this study showed that is not always the case. Indeed, similarly to what other studies have disclosed, this research determined that "both cooperative and conflictive actions and processes are part of the realm of micropolitics."¹³ In addition, the research found that unit heads use numerous micropolitical strategies and tactics in higher education to maximize their budget allocations.

To those who are already politically astute, many of these findings might seem to be common sense. To them, this study should be evidence that these kinds of actions are still relevant. To others, these findings and recommendations might seem repugnant. For managers with this mindset, the wish is for a utopia where all decisions are based on rational calculations of what is best for the institution. These directors of units could avoid engaging in political actions, but it would result in reduced support for the unit: in a

political arena, such as higher education, one either spends time to build support beforehand or in the end does not receive the resources that one could have otherwise had. This affirms the old saying in political circles that

in politics nothing is free—there is just some question about when you pay the price.¹⁴

Notes

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3. Joseph Blase, *The Politics of Life in Schools: Power, Conflict, and Cooperation* (Newbury Park, CA: Sage, 1991), 11.
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5. Mott R. Linn, Jr., "The Budget Planning Process in Higher Education: Evaluating Administrators' Strategies and Tactics" (DA diss., Simmons College, 2008), 7–91.
6. Aaron B. Wildavsky, *The Politics of the Budgetary Process*, 3rd ed. (Boston: Little, Brown, and Company, 1979), 4.
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10. Linn, "Budget Planning Process."
11. Jeffrey Pfeffer, "Power and Resource Allocation in Organizations," in *New Directions in Organizational Behavior*, ed. Barry M. Staw and Gerald R. Salancik, 235–65 (Chicago: St. Clair Press, 1977), 258.
12. David M. Gillespie, "A Survey of Business Managers and Library Directors to Identify the Variables Affecting the Final Decision on Library Budgets in Institutions Awarding at Least the Baccalaureate, but Less than the Doctorate Degree" (PhD diss., Florida State University, 1980), 138–9.
13. Blase, *Politics of Life*, 11.
14. Michael Barone, "Chicago Politics Stains Obama," *Chattanooga Times Free Press*, December 15, 2008, B7.