MEMORANDUM

TO: William F. Brown
Glenda Humiston
Charles A. Hibberd
Mark Latimore, Jr.
Douglas L. Steele
Gary A. Thompson

FROM: Mark A. Hussey
Chair, Board on Agriculture Assembly

DATE: February 14, 2018

RE: Plan for the Strategic Realignment of NIFA Budget Lines

For the 40 years that I have been affiliated with the Land-Grant University System, I have always believed that innovation and forward thinking are the keys to the future of agriculture. Innovation is not something that can only be applied to the latest irrigation technology or plant genetics or livestock breeding programs. Innovation and forward thinking must be applied at all levels of our system for us to remain competitive.

Last year, we made a push to support more innovation with the One Ask campaign, requesting an increase of $200 million across six budget lines. In a tough budget year, we were fortunate not to see any cuts; however, we did not get the additional funds needed to continue to support innovation in American agriculture as expected by stakeholders.

The fact is, the LGU system is losing funds in every budget cycle as inflation rises and budgets remain flat. Over the 20-year period ending 2013, Smith-Lever funds declined 43%; and Hatch funds declined 28% in constant dollars.

There are currently 45 different lines in the NIFA budget. Each one funds critical and important work and thus requires varying degrees of attention from our advocacy teams. Twenty-seven of those lines support programs receive $5 million or less. As a system, we can no longer effectively advocate for so many small lines.

By consolidating budget lines, our advocacy efforts will be more effective in helping to secure needed resources, which will maintain program funding and functional integrity allowing our institutions to continue critically important work. With fewer budget lines, we can more effectively advocate for budget increases because we can garner widespread stakeholder support for these
requests. We will be able to focus available resources into simple, effective messages that convey the importance of our collective work to improve agriculture in America. If we continue to silo ourselves and independently advocate for individual lines, we will continue to suffer from a lack of collective bargaining power. Together we are stronger, and when the support system of research, extension and education behind agriculture is strong, so are the youth, families, communities, and economies that depend on agriculture.

It is with this vision in mind that I, on behalf of the APLU Board on Agricultural Assembly (BAA), am creating a Task Force to create and implement a plan for strategic realignment of NIFA budget lines for incorporation into the Fiscal Year 2019 budget process. The ultimate outcome of that plan should be a reduced number of lines, strategically organized, that maintain program funding and functional integrity. This realignment must have widespread support from within the LGU family, with stakeholders and with NIFA leadership. As such, I ask that you follow Kotter’s Model of Change (also see attached). The plan must include clear milestones and outline how plans and progress is communicated. Specifically, the ultimate outcome must adhere to these guiding principles:

- Protect/maintain program funding including local capacity as well as competitive support for important programs and projects;
- Consolidate budget lines where it makes sense, doing no harm;
- Maintain intent (functionally equivalent) of programs, e.g., research, education, Extension, and integrated activities regardless of where the budget lines reside within the USDA/NIFA Budget;
- Expand our ability to integrate research, education and Extension functions of the nation’s Land-Grant Universities in local and multistate problem solving;
- Acceptable to those directly affected and supported by the COPs, BAC and PBD; and
- Acceptable to appropriators.

I am asking you to participate in this critical work because you represent some of our finest strategic thinkers, have key experience with the budget process, and can mobilize time and energy to put to the task. I am also asking that Mike Harrington and Rick Klemme provide staff support for your efforts.

I know that change is difficult. However, we cannot stay the same and expect to lead the innovation that American youth, families, communities, and the agricultural economy requires. I believe that now, more than ever, we as a family are up to the task of taking necessary steps to create a strong collective future.

**Why Now?**

The need to simplify the budget process has been an issue for at least 20 years. The LGU leadership has recognized that there are too many lines with high transaction costs. We are fortunate to have Dr. Sonny Ramaswamy as the NIFA Director. Dr. Ramaswamy understands the LGU system as well as anyone owing to his long experience. Sonny also is familiar with the USDA budgeting processes and those of the Office of Management and Budget. However, his appointment will terminate in the next few months. Your recommendations will be the basis of the BAA budget requests and ideally, will
be incorporated in to NIFA’s budget requests as well. The next Farm Bill will be finalized over the next year or so and may provide opportunities to simplify the budget legislation.

I would ask that you complete your recommendations by the Joint COPs meeting this summer.

cc: Eddie G. Gouge
    H. Michael Harrington
    Richard M. Klemme
    Ian L. Maw
    Orlando F. McMeans
    Jim Richards
Change Management – The Kotter Model
https://www.managementstudyguide.com/kotters-8-step-model-of-change.htm

Step 1. Increase Urgency
- Be clear about the problem

- Make a business case for the problem
- Describe the desirable end state
- Talk about how we’re going to get to that end state

Step 2. Build Guiding Coalition
- Sufficient position power
- Enough expertise
- High degree of credibility
- Proven leadership
- Can provide executive-level support
- Can garner resources
- Have influence
- Can motivate and inspire
- Are respected
- Can make difficult and unpopular decisions if necessary

Step 3. Develop the Vision
- Based on analysis of data; quantitative and qualitative
- Challenging but achievable
- Focused and compelling
- Include strategy for how to get there
- Create and appealing end state/objectives/outcomes

Step 4. Communicate for Buy-in
- Create a compelling story about why this is urgently needed that puts us in the role of underdog (no one likes an “overdog”—suggests we have something to LOSE) and emphasizes a team approach to solving the problem.
- Ask “what do I want the listener to do”—start with the objective and create the story back to front.
- May have to do several of these for different audiences, iteratively throughout the process

**Step 5. Empower Action**
- Ensure that the organizational processes and structure are in place and aligned with the overall organizational vision.
- Continuously check for barriers or people who are resisting change. Implement proactive actions to remove the obstacles involved in the process of change.
- Reward people for endorsing change and supporting in the process.

**Step 6. Celebrate Milestones**
- Create a plan with milestones (at least every 2 months)
- Celebrate small successes

**Step 7 Consolidating Gains**
- Achieve continuous improvement by analysing the success stories individually and improving from those individual experiences.

**Step 8 Anchoring Change in the Corporate Culture**
- Discuss the successful stories related to change initiatives on every given opportunity.
- Ensure that the change becomes an integral part in your organizational culture and is visible in every organizational aspect.
  - Ensure that the support of the existing company leaders as well as the new leaders continue to extend their support towards the change.