

# **Transforming the University**

## **A Short Course**

# Objectives of the Transformation Process

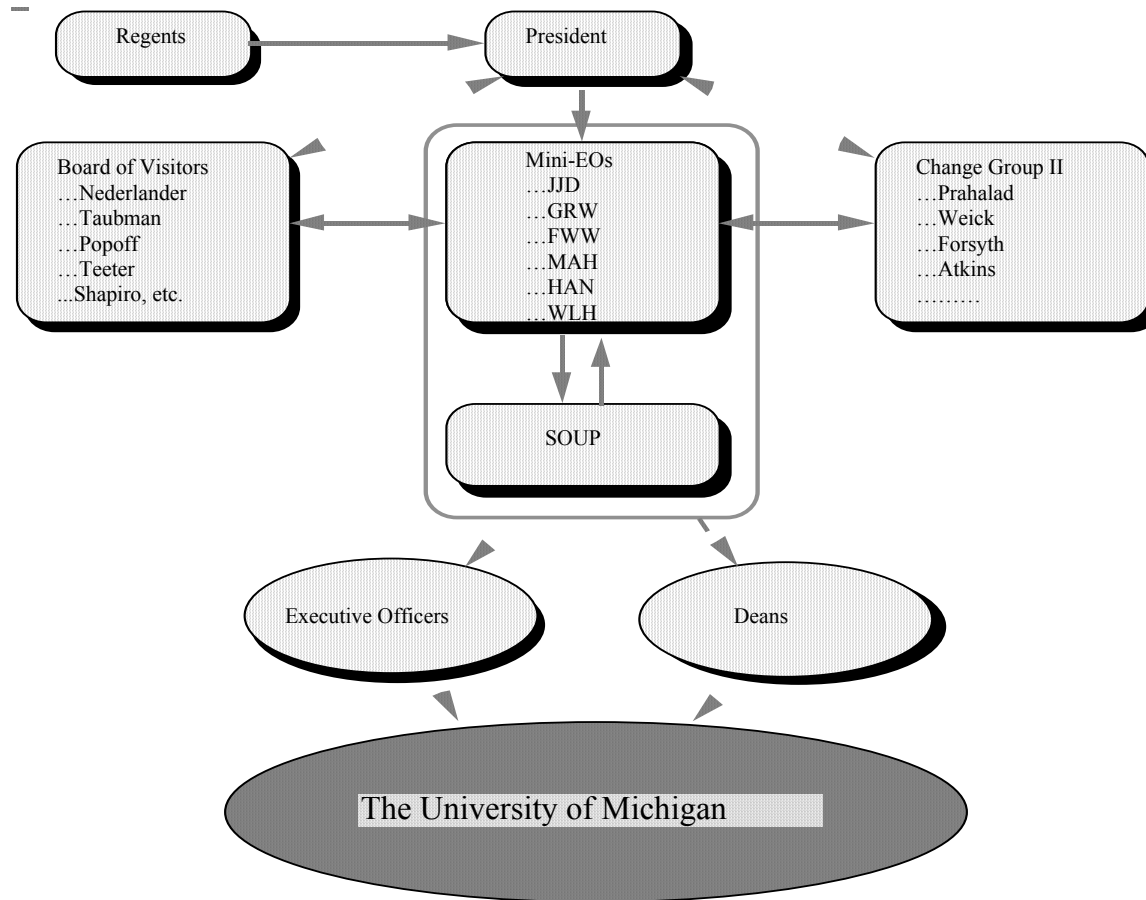
**What are we trying to accomplish through the transformation of the University?**

- **Move beyond simply positioning the University for leadership by polishing the status quo (essentially the approach of Vision 2000 and the 26 Goal Plan).**
- **Provide the University the capacity to transform itself more radically to respond to a changing world.**

**Do we expect to achieve Vision 2017 during our tenure?**

**No. But we should seek to build the capacity, the energy level, the excitement, and the commitment necessary to move the University toward this vision.**

# The Leadership Teams



# **The EO Transformation Team**

**Why should this subset of EOs play the key role in leading the transformation process?**

- 1. The executive leadership of the University.**
- 2. The leadership of UM-AA.**
- 3. All are proven academics:**
  - with advanced academic degrees**
  - with faculty experience**
- 4. All have unusually broad experience in higher education.**
- 5. This group has the best understanding of the nature of the University and the broad range of issues facing higher education during the 1990s and beyond.**

# Goals of the Short Course

- 1. Build a shared vision and a shared commitment to the actions necessary to move toward this vision.**
- 2. Give each of us an opportunity to help shape and refine the Vision 2017 and to participate in the development of the transformation plan.**
- 3. To come out of these sessions with a shared and total commitment to this agenda.**

**NOTE: All members of this group must be committed both to the vision and the transformation process if it is to succeed.**

# The Lesson Plan

1. An Overview of the Course
2. Consider and assess forces of change
  - nation and world
  - higher education
  - UM specific
3. Examine ways that other institutions are responding, e.g., Ivys, UC, Big Ten
4. Review Vision 2000, 26-Goal Plan, and Michigan Metrics
5. Review Vision 2017 document
6. Review "proto" Transformation Plan

## Required Texts

- **"Vision 2017: The Next Century"**
- **"Vision 2000: The Leaders and Best□ "**
- **"The Michigan Metrics Project"**
- **"Leadership for the 21st Century: Strategy Planning at UM"**
- 
- **"The Challenge for the 1990s: Transforming the University"**

## **Other Reading**

- 1. Planning and transformation efforts at other universities**  
**(Stanford, Harvard, Princeton, UCLA, Ohio State, Tulane...)**
- 2. Key position papers**  
**(Shapiro, Rhodes, Schmitt,...)**
- 3. Key national studies**  
**(PCAST, NSB, GUIRR, ...)**



# 1890

## The Situation

- fewer refrigerators than cars
- less than 25% of homes had indoor plumbing
- less than 10% graduated from HS
- still an agrarian society
- university as an intellectually coherent community of shared values and responsibilities

## Things Happening

- industrial revolution was taking hold
- colonial colleges were about to awake
- landgrant colleges were being mobilized
- faculty leadership was stirring
- foundations for research university were being laid

## 30 Year Time Frame

- massive growth in enrollments, degrees
- evolution of open merit-based institutions
- teaching research service conglomerates
- broad portfolio of teaching at UG, grad, prof level
- shift from transmission to search for knowledge
- importance of government patronage
- research library

# 1945

## The Situation

- universities emerging from depression and WWII
- Ivys still elitist
- few world-class public institutions

## Things Happening

- returning veterans
- booming economy
- role of university in national defense

## 30 Year Time Frame

- age profile of population and faculty
- distribution of enrollments between publics and privates
- importance of federal government financing
- geographic distribution of students and institutions
- spectrum of scientific and scholarly opportunities
- nature and extent of public relations
- public attitude toward higher education

# 1990

## The Situation

- US universities are best in the world...best financed, most respected
- 1980s have been a period of stability...stable enrollments, modest growth in faculty, stable federal aid
- expenditures per faculty (and student) have been rising continuously
- massive proliferation of research universities (with even more aspiring to this status)

## Things Happening

- chronic perceived shortage of resources
- public concern about cost and price of education
- perceived unpredictability of resource flow
- rigidity of disciplinary structure
- difficulty in reaching agreement on evaluation standards
- shift away from UG to grad/prof and research
- short time frame between basic research and application
- public concern about "what is going on on the nation's campuses"

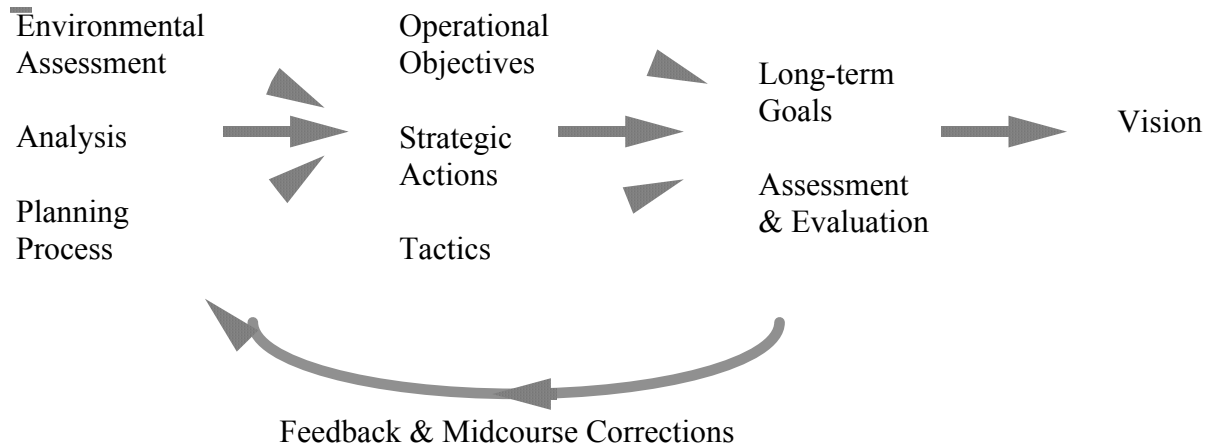
## 30 Year Time Frame

- multiculturalism?
- globalization?
- age of knowledge?
- global change?
- US ---> Europe and Japan?
- ubiquitous computing?
- genetic engineering?
- international conflicts?
- space colonization?
- "progress" or "steady state"?

# **The Strategic Planning Process**

- 1. Vision, Goals, Values**
- 2. Environmental Assessment**
- 3. Operational Objectives**
- 4. Strategic Actions**
- 5. Tactical Implementation**
- 6. Evaluation and Assessment**

# The Evolution of Plans, Objectives, and Goals



**NOTE: During a period of rapid, unpredictable change, the specific plan is of far less importance than the planning process itself. Put another way, we seek an "adaptive planning process" appropriate for a rapidly changing environment**

# Strategic Planning Process

## Challenges to Higher Ed

- Pace of Change
- Commitment to Excellence
- Importance of Values
- Restoring Public Trust
- Acquiring and Managing Resources Necessary for Excellence

## Challenges to UM

- State support: 70% --> 12%
- Competition for faculty, students, resources
- Political environment
- Need for new vision of UM

## Themes

### Themes of Change

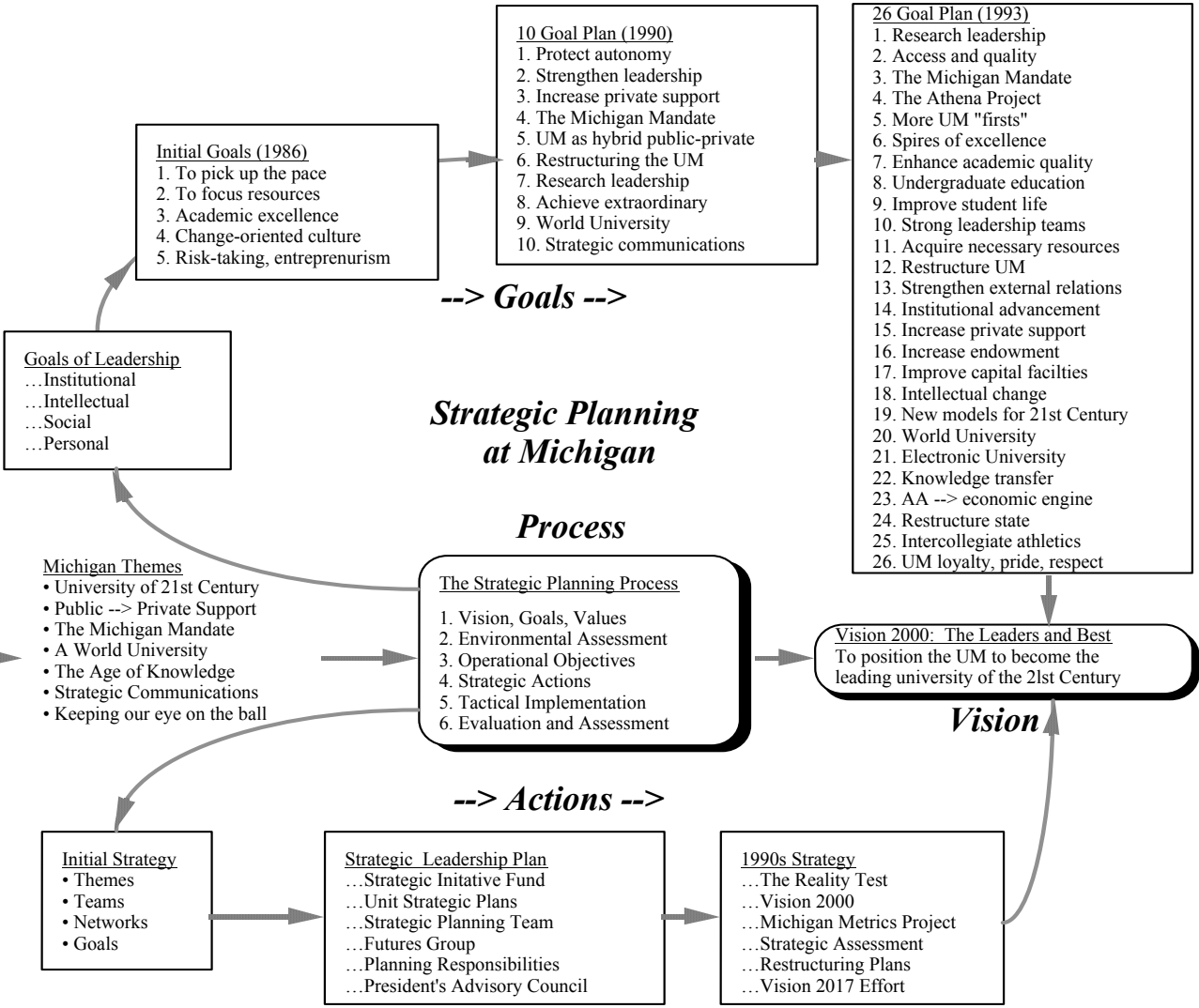
- Pluralism and Diversity
- Globalization
- The Age of Knowledge

### Themes of Challenge

- A Finite World
- Post-Cold-War World
- Rebuilding America

### Themes of Opportunity

- Progress
- Creation
- Exploration



--> **Goals** -->

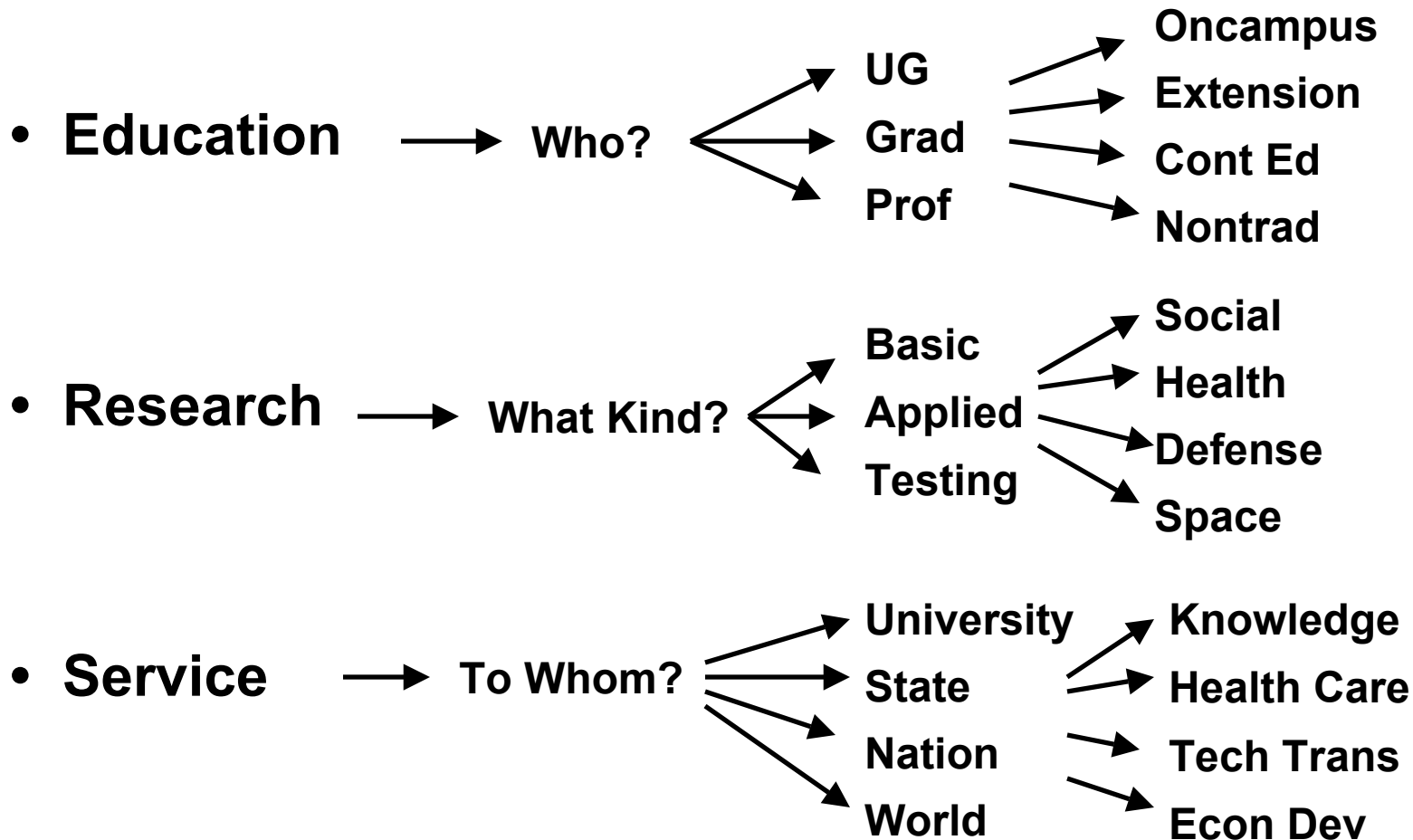
## Strategic Planning at Michigan

## Process

--> **Actions** -->

## Vision

# What is our mission?



# The Mission

## Business Line:

Creating, preserving, transmitting, and applying knowledge

## Products & Services:

Knowledge and knowledge-intensive services

Educated people with capacity and desire for leadership

## Customers:

Primary: society at large

Others: students, patients, agencies,...

Shareholders: state, feds, private sector, public

Market Niche: Leadership!



## **Vision 2000**

### **Vision 2000: "The Leaders and Best..."**

**To position the University of Michigan to become the leading university of the 21st Century.**

# **The 26 Goal Plan**

## **Leadership Goals:**

- 1. To enhance the quality of all academic programs.**
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## **The 26 Goal Plan (cont.)**

### **Resource Goals:**

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## **The 26 Goal Plan (cont...)**

### **Trailblazing Goals:**

- 18. To restructure the University to better respond to intellectual change.**
- 19. To explore new models of the "university of the 21st century".**
- 20. To position UM as a "world university".**
- 21. To position UM as a possible model of the "electronic university".**
- 22. To make UM a leader in knowledge transfer to society.**
- 23. To make the Ann Arbor area an economic engine for the midwest.**
- 24. To assist in "restructuring" the State of Michigan.**
- 25. To provide leadership in intercollegiate athletics.**
- 26. To build more of a sense of pride in  respect for  excitement about  and loyalty to the University of Michigan!**

# Moving Toward Vision 2000

The Historical Model of UM  
...unusually large state support  
...unusual commitment to excellence  
...selective admissions policy  
...focussed strength in professional schools  
...small commitment to purely state interests  
...ranked among best publics (... < UCB)

Themes of Change  
...Pluralism and Diversity  
...Globalization  
...Age of Knowledge  
...A Finite World  
...Rebuilding America

The Strategy for the 1990s  
...Vision 2000  
...Mission Leadership  
...Evolution of Goals  
...Metrics Project

26 Goal Plan

10 Goal Plan

Goals of Leadership

The 1990s Evolution  
...state-supported to state related  
...1st in nation in research  
...moving past UC in quality

|  
1980

|  
1990

## **Some Traditional Views of the University**

**Alfred North Whitehead:**

**"Education has but one aim: that is life, in all its richness and in its manifestations. The purpose of a college is to teach the art of life."**

**Ralph Waldo Emerson:**

**"Colleges have as their indispensable office, to teach elements. But they can only serve us when they aim not to drill but to create. When they gather from far every ray of various genius to their hospitable halls, and by the concentrated fires set the hearts of their youth aflame."**

**Henry Tappan:**

**"Universities may, indeed, make learned men; but their best commendation is given when it can be said of them that furnishing the materials and appliances of learning, setting the examples in their professions and graduates, breathing the spirit of scholarship in all that pertains to them, they inspire men, by the self-creative force of study and thought, to make themselves both learned and wise, and thus ready to put their hand to ever great and good work, whether of science, religion, or the state."**

# The University of the Past (HTS)

## Descriptors:

- A public university with an unusual level of state support
- A public university with a serious commitment to scholarship
- Focused strength in the professions
- A public university with a selective admissions policy and a strong "out of state" student component
- A relatively small commitment to purely state interests
- Generally ranked in quality "among the top public universities" but rarely regarded as THE top public university (□ UCB□ )

## What has changed?

- UM no longer enjoys relatively generous state support
- Many other public universities now stress scholarship

## What have we done?

- Increasing dependence on tuition, nonresident students, private giving, federal support, auxiliary revenues
- Emphasized those programs with revenue-generation capacity
- Attempted to reduce scope and breadth of activities

# **The University of the Common Man**

## **Priorities:**

- **Minimize student costs (tuition, room and board)**
- **Broad admission policies**

## **Operational Objectives:**

- **Maximize student financial aid**
- **Constrain tuition levels**
- **Avoid highly selective admissions policies**
- **Lower grading standards**
- **Lower graduation requirements**

## **Possible Consequence:**

**UM ---> The University of Mediocrity???**



# The University of "the State of Michigan"

## Priorities:

- Maximize service to the State of Michigan
- Maximize opportunities for Michigan citizens

## Operational Objectives:

- Reduce nonresident enrollments
- Constrain tuition levels
- Stress service activities
- Focus research on state needs
- Start an Ag school...

## Possible Consequence:

UM ---> Michigan State II □ ???

# The Harvard of the West

## Priorities:

- Emphasize academic excellence as the highest priority
- Accept only the best in students, faculty, programs

## Operational Objectives:

- Intensify UM commitment to excellence
- Stress quality over breadth and capacity
- Stress priority of intellectual core
- Operate UM as a national university

## Possible Consequence:

UM ---> "MUCH smaller but better" "???"

# The Stanford of the East

## Priorities:

- **Strong incentives and opportunities for individual achievement**
- **Minimize constraints, regulations, hassles**
- **Emphasize high-risk intellectual activities**
- **Stress entrepreneurial activities**

## Operational Objectives:

- **Harvard style of resource management (ETOB)**
- **Stanford-MIT style of external interaction (Silicon Valley-Rt 128)**
- **Modify organizational structures to stimulate change**
- **Relax expectations for faculty and student accountability**

## Possible Consequence:

**UM ---> "The University of the Bottom Line"???**

# The University of America

## Priorities:

- **BOTH quality and breadth**
- **Strong national representation among students and faculty**
- **Responsive to national (rather than state) priorities**

## Operational Objectives:

- **Stress institutional autonomy**
- **Continue shift toward nonresident enrollment**
- **Aggressive national marketing effort**

## Possible Consequence:

UM ---> "the Dallas Cowboys' model: "America's University"???"

# America's Leading University

## Priorities:

- Emphasize academic excellence AND breadth
- Strive for the very best in students, faculty, programs

## Operational Objectives:

- Intensity UM commitment to excellence
- Optimize quality x breadth x capacity x innovation
- Develop unusually broad resource portfolio
- Strengthen linkages between disciplines and professions
- Achieve autonomy to operate as a national university

## Possible Consequence:

UM ---> leading university among publics AND privates???

## **Some Different Paradigms**

- **the state-related--but world-supported--university**
- **the world university**
- **the diverse university (or "trans-versity")**
- **the cyberspace university**
- **the creative university**
- **the divisionless university**
- **the adult university**
- **the university college**
- **the Catholepistemiad**
- **the "university within the university"**
- **the "knowledge server"**

# **The State-Related--but World-Supported--University**

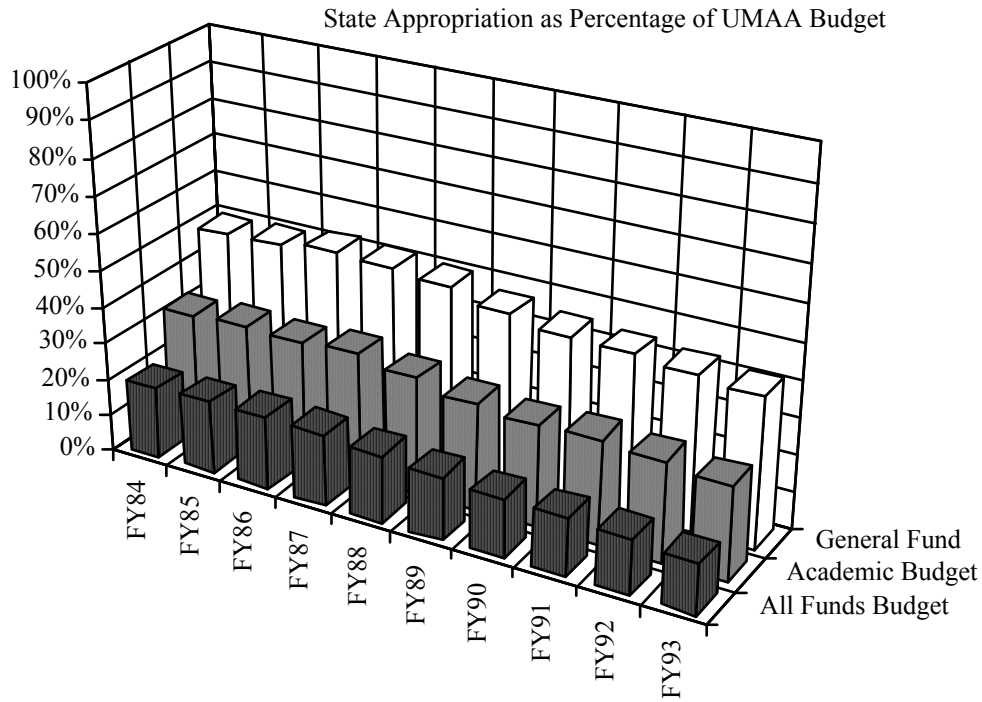
## **Concept:**

**A university with a strong public character, but supported primarily through resources it must generate itself (e.g., tuition, federal grants, private giving, auxiliary enterprises), not through general purpose appropriations.**

## **Some Questions:**

- How does one preserve the "public character" of a "privately-financed" institution?**
- How does a "state-related" university adequately represent the interests of its majority shareholders (parents, patients, federal agencies, donors)?**
- Can one sustain a institution of the size and breadth of the University of Michigan on self-generated ("private") revenues alone?**

# State Appropriation as % of UM Budget





# The World University

## Concept:

**As a new world culture forms, a number of universities will evolve into learning institutions serving the world, albeit within the context of a particular geographical area (e.g., North America).**

**As a leading public university with a strong international tradition, perhaps the University of Michigan should consider a role as a "world university".**

## Some Questions:

- What would be the mission and character of a world university?**
- Who, how, where would it teach?**
- What programs would it stress? How would they be organized?**
- What strategic alliances could be formed with other institutions?**
- Would this be compatible with our state and national missions?**

## **Some Interesting Ideas**

**Ralph Williams:**

**"A new world culture will be formed over the next century, and a basic step in forwarding whatever we mean by that term will be the establishment of three or four world universities (Europe, Asia, Africa, Latin America) to be the focal point for certain sorts of study of international order--political, cultural, economic, technological. Since the genius of higher education in America is the comprehensive public university, the University of Michigan is well positioned in character--as well as geographical location--to play this role for North America."**

**Doug Van Houweling:**

**"Suppose that the University of Michigan in the year 2017 has an enrollment of 100,000 students--but only 20,000 are located in Ann Arbor. The remaining 80,000 are scattered about the globe, interacting with the University through robust information technology networks."**

# The Diverse University

## Concept:

**A university drawing its intellectual strength and its character from the rich diversity of humankind, providing a model for our society of a multicultural learning community in which people respect and tolerate diversity even as they live, work, and learn together as a community of scholars.**

## Some Questions:

- What society should we strive to represent? Michigan? America? The world? The present? The future?**
- What kind of diversity do we seek? Racial? Ethnic? Gender? Socioeconomic? Geographical? Intellectual? Political?**
- How do we draw strength from diversity?**
- How do we attempt to unite a diverse community?**

# The Cyberspace University

## Concept:

**A university that spans the world (and possibly even beyond) as a robust information network linking together students, faculty, graduates, and knowledge resources. ("Cyberspace U...")**

## Some Questions:

- Will the networked university be localized in space and time or will it be a "meta structure" involving people throughout their lives, wherever they may be?**
- Is the concept of the specialist (disciplines or professions) likely to remain relevant in such a knowledge-rich environment?**
- Will lifestyles in the academy (and elsewhere) become increasingly nomadic, with people living and traveling where they wish, taking their work and social relationships with them?**
- Will knowledge become less of a resource and more of a medium in such a university.**

# The Creative University

## Concept:

**As the tools for creation become more robust (e.g., creating materials atom-by-atom, genetically engineering new life forms, or computer-generated artificial intelligence or virtual reality), the primary activities of the university will shift from a focus on analytical disciplines and professions to those stressing creative activities (i.e., "turning dreams into reality").**

## Some Questions:

- Will the "creative" disciplines and professions acquire more significance (e.g., art, music, architecture, engineering)?**
- How does one nurture and teach the art and skill of creation?**

## **An Interesting Idea**

**Jacques Attali:**

**"The winners of this new era will be creators, and it to them that power and wealth will flow. The need to shape, to invent, and to create will blur the border between production and consumption. Creation will not be a form of consumption anymore, but will become work itself, work that will be rewarded handsomely. The creator who turns dreams into reality will be considered as workers who deserve prestige and society's gratitude and renumeration."**

# The Divisionless University

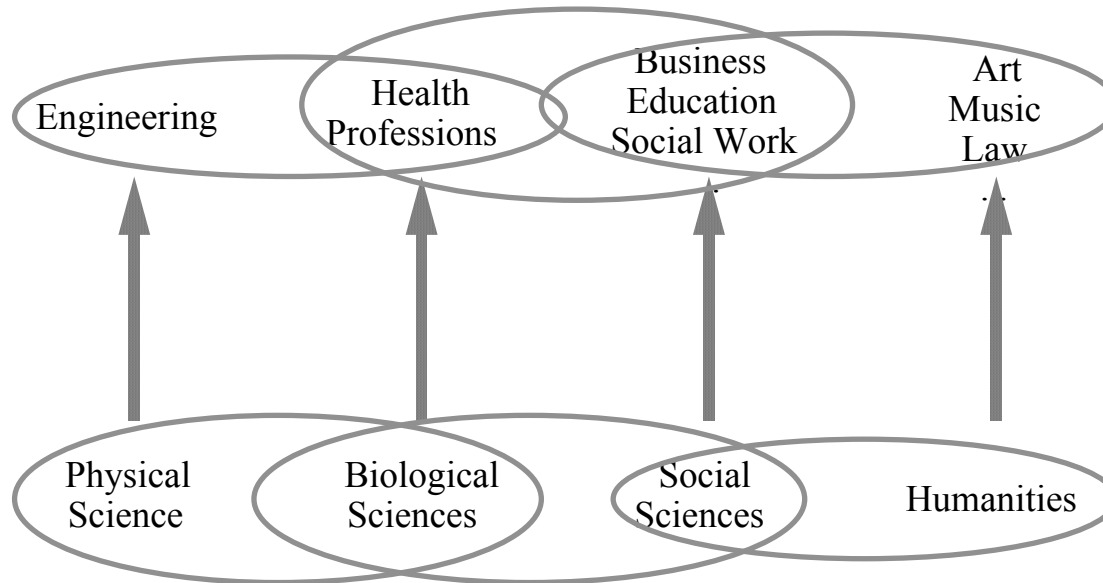
## Concept:

The current disciplinary (and professional) organization of the University is viewed by many as increasingly irrelevant to their teaching, scholarship, and service activities. Perhaps the university of the future will be far more integrated and less specialized through the use of a web of virtual structures which provide both horizontal and vertical integration among the disciplines and professions.

## Some Questions:

- Should we reverse the trend toward more specialized undergraduate degrees in favor of a "B. L. L."?
- Has the PhD itself become obsolete to the extent that it produces highly specialized clones of the present graduate faculty?
- Should the basic disciplines be mixed among the professions? Many of the most exciting problems have always been generated through interaction with the "real world".
- How do we develop, evaluate, and reward faculty who are generalists rather than specialists?

# Intellectual Integration





# The Adult University

## Concept:

**Could it be that research universities are simply too complex and costly to assume the responsibility for general education (and "parenting") of lower division undergraduates. Perhaps the European model of direct admission into upper division concentrations and/or professional schools is a better use of the national resources represented by the AAU-class universities.**

## Some Questions:

- Who would provide general education? Liberal arts colleges? Community colleges? Advanced high schools or prep schools?**
- Would this model lose the opportunity for distinguished scholars to inspire young students during their formative years?**
- Is this model realistic in view of the weakness of K-12 education?**
- Would the research university lose the emotional attachment of students formed during their formative years (and hence their long term financial support)?**

# The Catholepistemiad of Michigan

## Concept:

Since education will increasingly require a lifetime commitment, perhaps the University should reinvent itself to span the entire continuum of education, from cradle to grave. It could form strategic alliances with other components of the educational system, and commit itself to a lifetime of interaction with its students/graduates, providing them throughout their lives with the education necessary to meet their changing goals and needs.

## Questions:

- How would this lifetime education be delivered?
- How would the University related to other components of the educational continuum?
- How would this "seamless web" approach relate to our current focus on well-defined degree programs?

# **An Idea from the Past**

**Howard Peckham:**

**"The original concept of the University was not as an isolated tower of learning, but rather the capstone of a statewide educational system which it would supervise. The president and didactors, or professors, were given power to establish colleges, academies, schools, libraries, museums, athenaeums, botanical gardens, laboratories □ to appoint instructors and instructices in, among, and throughout the various counties, cities, towns, townships, and other geographical divisions of Michigan."**

**"In a sense, Woodward followed the French idea of achieving a single and high set of standards for all schools by centering control in the University."**

# **The University within the University**

## **Concept:**

**Could we create within the University a "laboratory" or "new" university that would serve as a prototype of testbed for possible features of the University of the 21st Century? The "New U" would be an academic unit, consisting of students, faculty, and programs, with a mission of providing the intellectual and programmatic framework for continual experimentation.**

## **Questions:**

- Should the "New U" be a laboratory or proving ground for various possible visions of the university, or should it be a more permanent part of the university that we try to keep 20 to 30 years ahead of its time?**
- Would the "New U" be a physical or virtual structure?**
- Should the "New U" be built around research or service?**
- How would we select student and faculty for the "New U"?**

# Values

- Excellence
- Leadership
- Critical and rationale thinking
- Liberal learning
- Diversity
- Caring and concern
- Community
- Excitement

# Descriptors

**"The leaders and best □ "**

**"An uncommon education for the common man (person) □ "**

**"A broad and liberal spirit □ "**

**"Diverse, yet united in a commitment to academic excellence □ "**

**"A center of critical inquiry and learning □ "**

**"A independent critic and servant of society □ "**

**"A relish for innovation and excitement □ "**

**"Freedom with responsibility for students and faculty □ "**

**"Control of our own destiny comparable to private universities □ "**

# **The Fundamentals**

**Attracting, retaining, and sustaining the most outstanding people (students, faculty, staff)**

**Achieving, enhancing, and sustaining academic excellence in teaching and scholarship**

**Optimizing the balance among quality, breadth, scale, excellence, and innovation.**

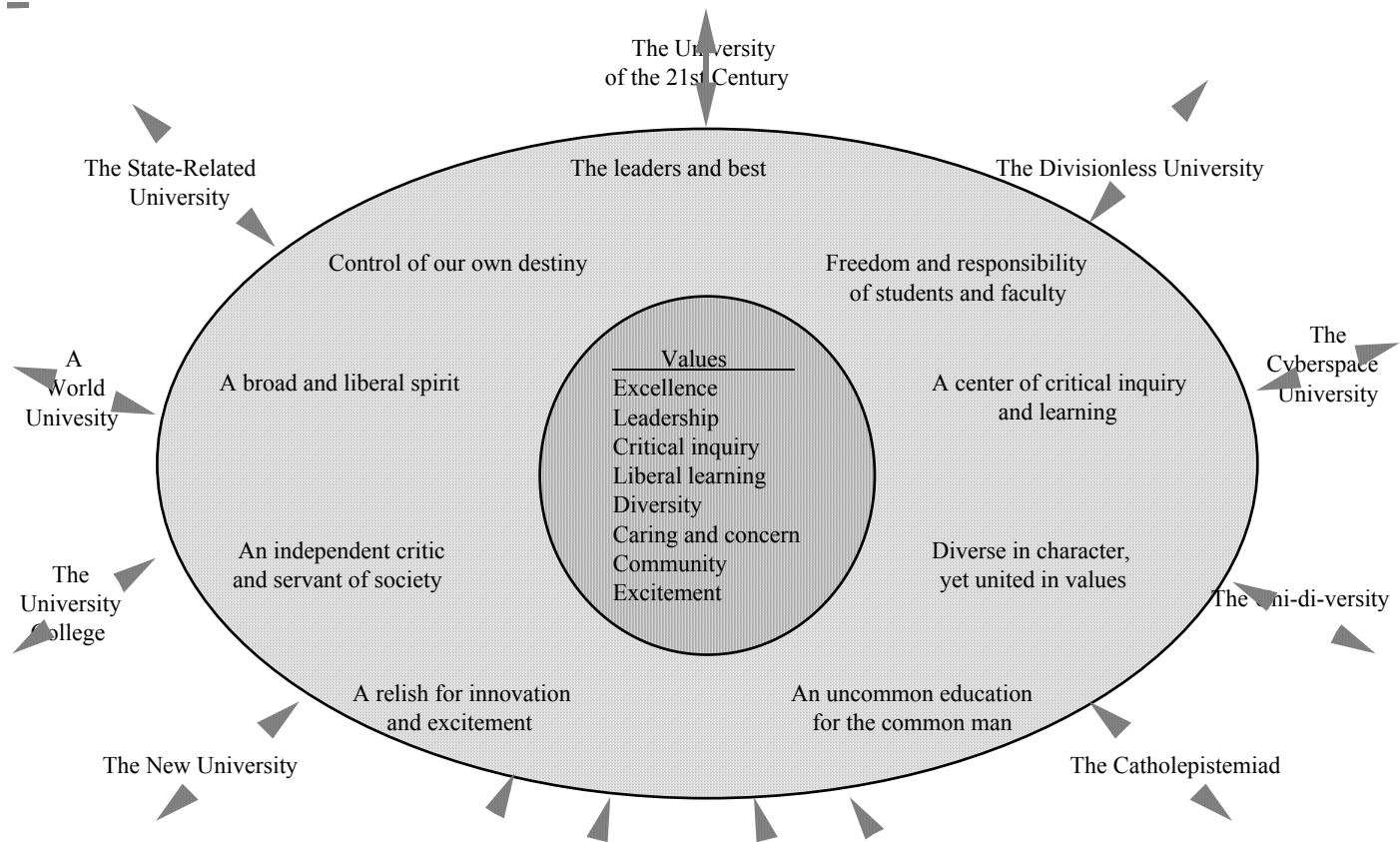
**Sufficient autonomy to control our own destiny.**

**Sustaining the University's role as an independent critic**

**A diversified resource portfolio, providing a stable flow of resources necessary for leadership and excellence regardless of the ebb and flow of in particular areas (state, federal, private giving □ )**

**Keepin' the joint jumpin'!**

# Vision 2017

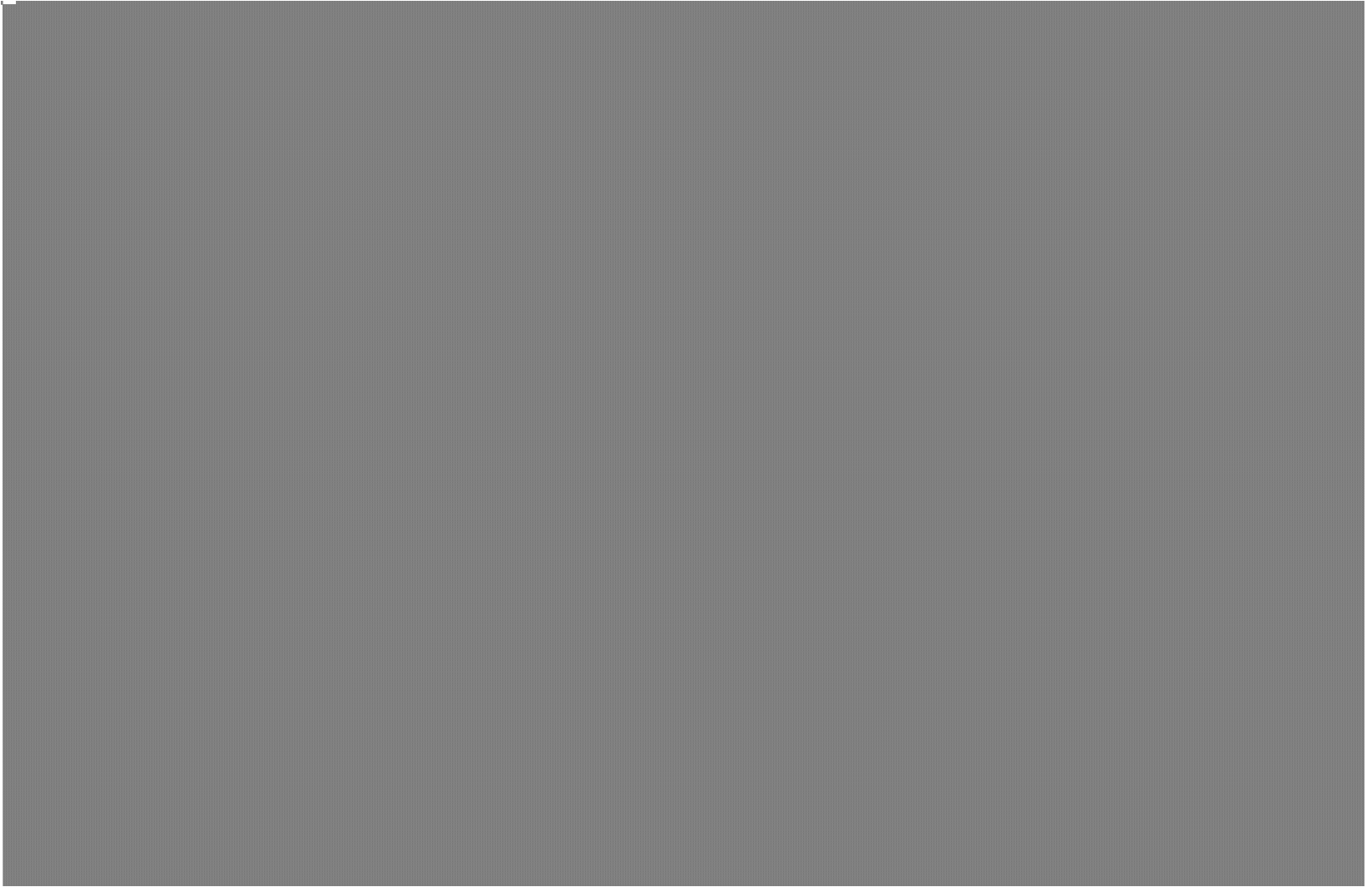


The Fundamentals

- Attracting, retaining, and sustaining outstanding people
- Achieving and enhancing academic excellence
- Optimizing quality, breadth, scale, excellence, and innovation
- Sufficient autonomy to control our own destiny
- A balanced resource portfolio adequate to support excellence
- Keepin' the joint jumpin'



**Transformation Diagram**



# Goals of the Short Course

1. **Build a shared vision and a shared commitment to the actions necessary to move toward this vision.**
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- **2. Key position papers**
  - **(Shapiro, Rhodes, Schmitt,...)**
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...1st in nation in research  
...moving past UC in quality

|  
1980

|  
1990

## **Some Different Paradigms**

- **the state-related--but world-supported--university**
- **the world university**
- **the diverse university (or "trans-versity")**
- **the cyberspace university**
- **the creative university**
- **the divisionless university**
- **the adult university**
- **the university college**
- **the Catholepistemiad**
- **the "university within the university"**
- **the "knowledge server"**

# Values

- Excellence
- Leadership
- Critical and rationale thinking
- Liberal learning
- Diversity
- Caring and concern
- Community
- Excitement

# Descriptors

**"The leaders and best □ "**

**"An uncommon education for the common man (person) □ "**

**"A broad and liberal spirit □ "**

**"Diverse, yet united in a commitment to academic excellence □ "**

**"A center of critical inquiry and learning □ "**

**"A independent critic and servant of society □ "**

**"A relish for innovation and excitement □ "**

**"Freedom with responsibility for students and faculty □ "**

**"Control of our own destiny comparable to private universities □ "**

# **The Fundamentals**

**Attracting, retaining, and sustaining the most outstanding people (students, faculty, staff)**

**Achieving, enhancing, and sustaining academic excellence in teaching and scholarship**

**Optimizing the balance among quality, breadth, scale, excellence, and innovation.**

**Sufficient autonomy to control our own destiny.**

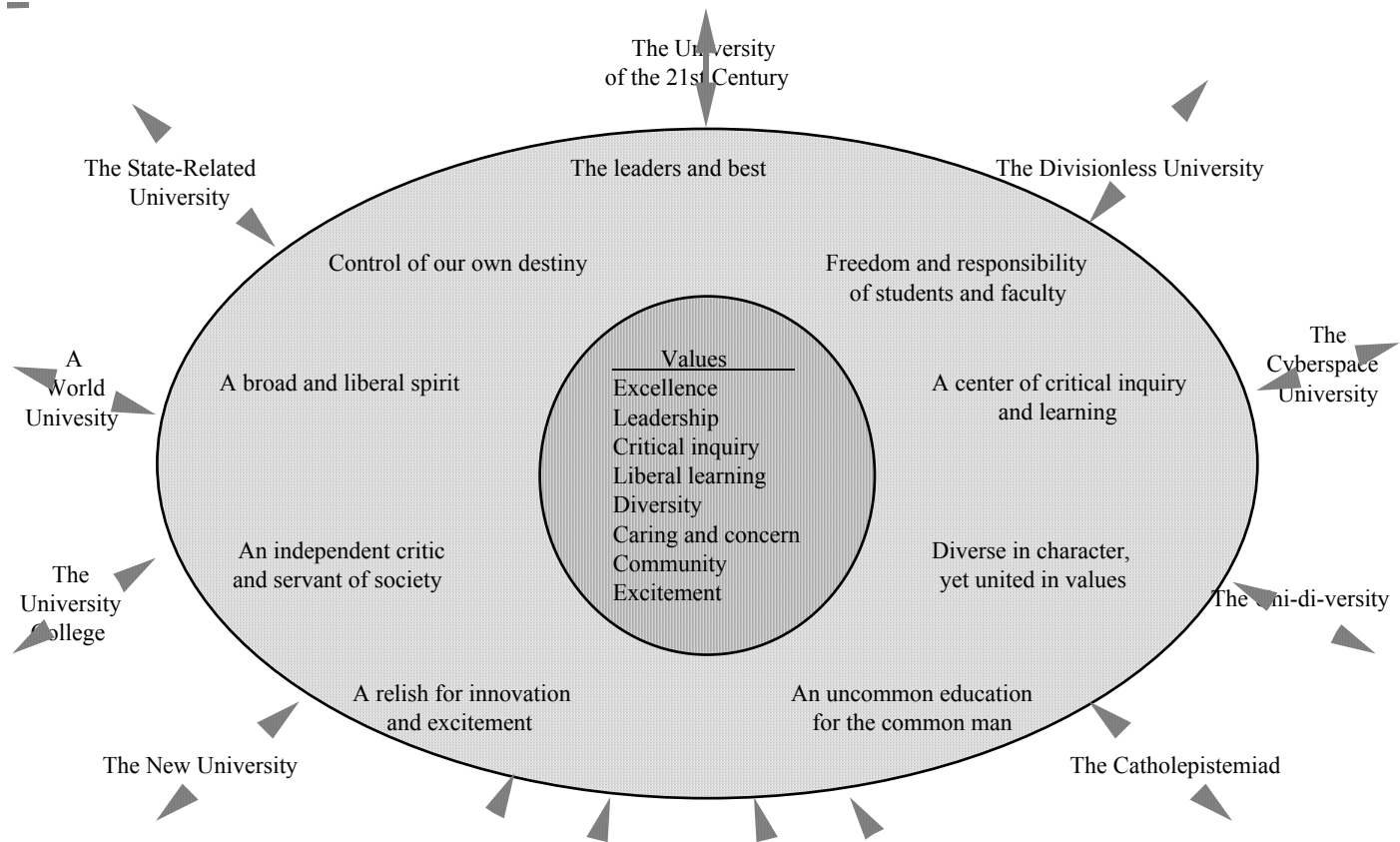
**Sustaining the University's role as an independent critic**

**A diversified resource portfolio, providing a stable flow of resources necessary for leadership and excellence regardless of the ebb and flow of in particular areas (state, federal, private giving □ )**

**Keepin' the joint jumpin'!**



# Vision 2017



The Fundamentals

- Attracting, retaining, and sustaining outstanding people
- Achieving and enhancing academic excellence
- Optimizing quality, breadth, scale, excellence, and innovation
- Sufficient autonomy to control our own destiny
- A balanced resource portfolio adequate to support excellence
- Keepin' the joint jumpin'

# Paradigm Linkages



# **Questions, Questions, Questions** □

- 1. What is the fundamental role of the university in modern society?**
- 2. How does one preserve the public character of an increasingly privately financed university?**
- 3. Should we intensify our commitment to undergraduate education? If so, then how?**
- 4. What is the proper balance between disciplinary and interdisciplinary teaching and scholarship?**
- 5. Does the PhD degree need to be redesigned (or even replaced) to meet the changing needs for advanced education and training?**
- 6. How should we select the next generation of faculty?**
- 7. How do we respond to the deteriorating capacity of the state to support a world-class research university?**

# Questions, Questions, Questions etc.

8. How good should we strive to make our programs?
9. How do we enable the University to respond and flourish during a period of very rapid change?
10. How do we best protect the University's capacity to control its own destiny?
11. Should the University be a leader? If so, then where should it lead?
12. Should our balance of missions shift among
  - teaching, research, and service?
  - undergraduate, graduate, and professional education?
  - serving the state, the nation, and the world?
  - creating, preserving, transmitting, and applying knowledge?

# **Objectives of the Transformation Process**

**What are we trying to accomplish through the transformation of the University?**

- **Move beyond simply positioning the University for leadership by polishing the status quo (essentially the approach of Vision 2000 and the 26 Goal Plan).**
- **Provide the University the capacity to transform itself more radically to respond to a changing world.**

**Do we expect to achieve Vision 2017 during our tenure?**

**No. But we should seek to build the capacity, the energy level, the excitement, and the commitment necessary to enable the University to move toward this vision.**

# **A Particular Challenge**

**Throughout the past decade, we have tried to make the University of Michigan the finest 20th Century university in the world. In many ways, we have made great progress toward this objective. (Indeed, some would argue we have achieved this goal.)**

**Yet now we must convince folks that we must turn in new directions, that the "Vision 2000" is no longer adequate, and that we now must transform the university into a form more suited to serving the 21s Century.**

**Not an easy challenge...as the folks at IBM will tell you...**

# How have we achieved change in the past?

1. "Buying" change with additional resources.
2. By laboriously building the consensus necessary for grassroots support of change.
3. By changing people in key positions.
4. By finesse □ "stealth of night" □
5. "Just doing it" □ that is, top-down decisions followed by rapid execution (following the old adage that "It is sometimes better to ask forgiveness than to seek permission.")

# **The Gutenberg Principle**

**Finding ways to disguise innovation as extrapolation of the existing paradigm to enable it to be accepted in a conservative community.**

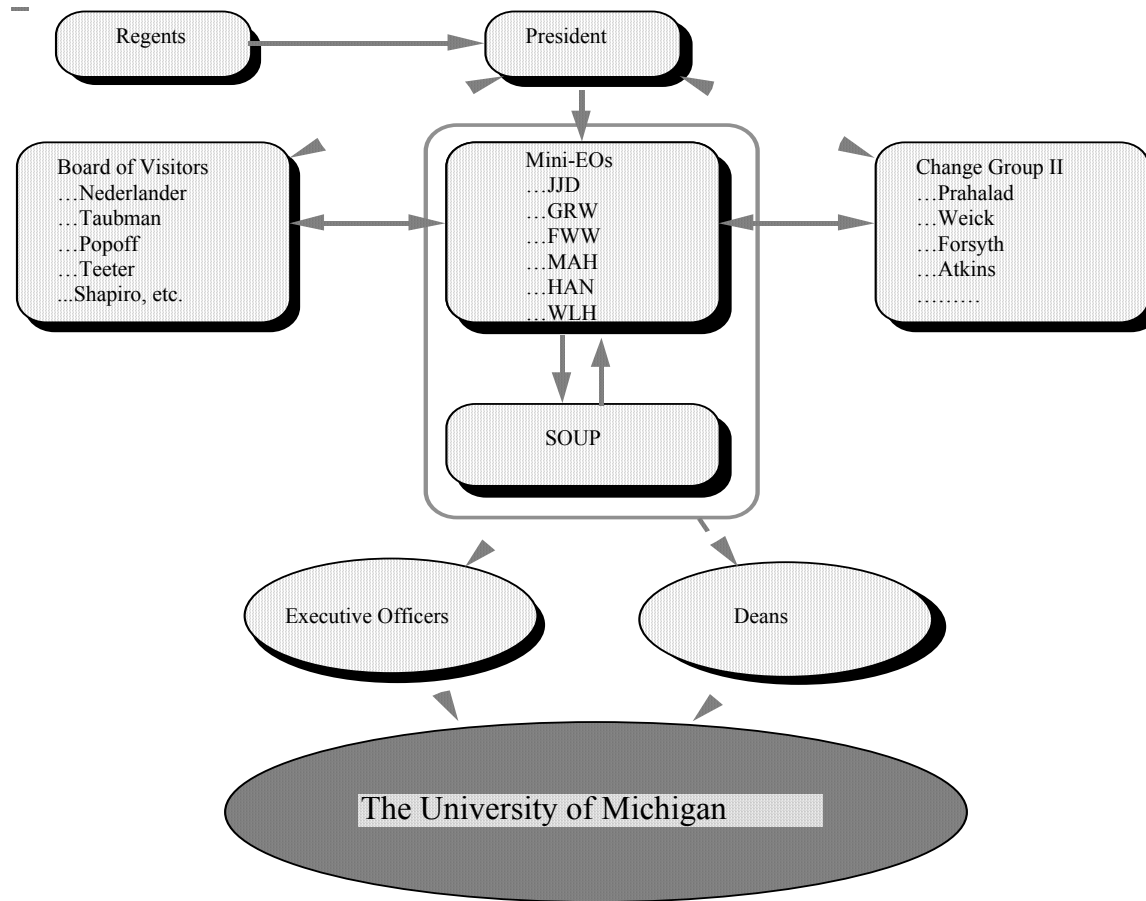
**(E.g., make the first movable type fonts look like the manually produced Bible manuscripts so they would be adopted by the Church...)**



## **Some lessons learned** □

- 1. The real challenge of transformation is generally not financial or organizational. It is cultural. We must transform a set of rigid habits of thought and arrangements that are currently incapable of responding to change either rapidly or radically enough.**
- 2. It is important to have true faculty participation in the design and the implementation of the transformation process--through the involvement of the true intellectual leadership of the faculty.**
- 3. It has been found that the use of an external group is helpful in providing credibility to the process.**
- 4. No universities have been able to achieve major change through the motivation of opportunity and excitement alone. It has taken a crisis to get folks to take the transformation seriously.**
- 5. The president must play a critical role both as a leader and as an educator in designing, implementing, and selling the transformation process, particularly with the faculty.**

# The Leadership Teams



# The EO Transformation Team

**Why should this subset of EOs play the key role in leading the transformation process?**

- 1. The executive leadership of the University.**
- 2. The leadership of UM-AA.**
- 3. All are proven academics:**
  - with advanced academic degrees**
  - with faculty experience**
- 4. All have unusually broad experience in higher education.**
- 5. This group has the best understanding of the nature of the University and the broad range of issues facing higher education during the 1990s and beyond.**

**Transformation Diagram**



# **The Areas of Transformation**

- 1. The Mission of the University**
- 2. Financial Restructuring**
- 3. Organization and Governance**
- 4. General Characteristics of the University**
- 5. Intellectual Transformation**
- 6. Relations with External Constituencies**
- 7. Cultural Change.**

# Transformation Areas



# **The Approach: Strategic Initiatives**

**The transformation effort will be organized into a series of parallel strategic initiatives or thrusts, each designed to be**

- self-contained**
- a clearly-defined rationale**
- specific objectives**

**The trick will be to select, execute, and coordinate these strategic initiatives so that they enable the University to transform itself and allow the major paradigm shifts suggested in Vision 2017.**

# Strategic Thrusts





# Actions and Magic Bullets



# Character and Mission

- **State-supported to state-related**
- **State to national to world university**
- **UM-D, UM-F, UMMA, UMAA relationships**
- **Securing and protecting UM autonomy**
- **New market strategies**
- **K-12, adult education, distance learning**
- **UM as supplier of educational resources**

# Financial Restructuring

- **Cost/market based pricing (tuition and fees)**
- **Diversifying education products**
  - (e.g., resident, commuter, distance learning □ )
- **ETOB, "Partnership" resource allocation**
- **Shifting away from fund-accounting in management**
- **Restructuring staff benefits**
- **Capturing "venture capital" funds**
- **Filling underutilized capacity**
- **Re-centralization**
  - **Billet control**
  - **Major reallocation (including discontinuance)**
- **Resource development and flexibility**

## **Some Tough Questions: Finance**

- 1. For the near term there appear to be only two opportunities for significant revenue growth:**
  - tuition revenue**
  - auxiliary revenue****How do we tap these?**
- 2. Is it possible to achieve the "30/30-->40/40-->50/50" tuition/enrollment strategy?**
- 3. How do we move toward a cost/market-driven tuition and financial aid model?**
- 4. Should we move ahead rapidly to implement the "Partnership" financing model?**
- 5. Can we develop and implement alternative policies for non-degree granting units (e.g., "sunset" provisions)?**

## **Some Tough Questions: Finance-2**

- 6. What is the appropriate level of funding needed for investing in new opportunities? 2% per year? 5% per year? Where do we get these resources?**
- 7. How do we deal with the rapidly escalating costs of benefits?**
  - Flexible benefits**
  - Post-retirement health care**
  - Elimination of mandatory retirement caps**
- 8. Can we shift more support units to "OEM" status, requiring them to compete with outsourcing?**
- 9. How can we develop more flexible personal policies for BOTH faculty and staff?**
- 10. How can we do a better job both of understanding our own operations and benchmarking our activities and costs against those of institutions of comparable scale and complexity?**

# Organization and Governance

- **Overhauling process and policies to allow change**
- **Next generation leadership project**
- **EO restructuring**
- **Administrative restructuring**
  - **Removing middle management layers**
  - **Rightsizing units**
  - **Restructuring personnel policies**
- **Matrix structures**
  - **School and college affinity clusters**
  - **University-wide research projects**
  - **Virtual structures (Media Union, Gateway Campus)**
- **Re-engineering with information technology**

## **Some Tough Questions: Organization**

- 1. Do we need to reorganize executive officer responsibilities and functions to better lead the transformation effort?**
- 2. Can we remove the constraints on the way we organize our academic programs (e.g., internal program discontinuance policies or accreditation requirements)?**
- 3. How can we streamline management and remove unnecessary management layers and positions? Can we develop more flexible personnel policies which will allow us to make the necessary changes?**
- 4. Can we "re-engineer" more of the activities of the University using information technology?**
- 5. How might we achieve a "clean sheet" reorganization of the University?**

# Present Roles of Executive Officers

## Executive Officers

President

Provost

VPCFO

VP-Research

VP-Students

VP-External Relations

VP-Development

VP-Secretary

VPr-Health Affairs

VPr-Multicultural Affairs

VPr-Info Tech

VPr-Acad Affairs

Ch-UMD

Ch-UMF

## Functions

Regent Relations

Intellectual Leadership

Academic Units

Budget

Planning

Academic Services

Business and Finance

Physical Plant

Personnel

Research Environment

Research Activity

Knowledge Transfer

Student Services

Student Life

State Relations

Federal Relations

Community Relations

Public Relations

FundRaising

Internal Communication

Medical Center

Information Technology

Diversity Agenda

Undergraduate Education

Graduate Education

Professional Education

Public Service

Regional Campuses

...





# New Roles of Executive Officers

## Executive Officers

## Functions

## Strategic Thrusts

President

Regent Relations  
Intellectual Leadership

The Michigan Mandate  
The Michigan Agenda

Provost

Academic Units

Financial Restructuring

VPCFO

Budget

Asset Management

VP-Research

Planning

M-Quality

Academic Services

Campus Evolution

Business and Finance

Intellectual Restructuring

VP-Students

Physical Plant

Research Environment

Personnel

Superstar Project

VP-External Relations

Research Environment

The University College

Research Activity

Student Living/Learning

Knowledge Transfer

Cultural Change

VP-Development

Student Services

Leadership Building

Student Life

Human Resource

VP-Secretary

State Relations

Development

VPr-Health Affairs

Federal Relations

Community Building

Community Relations

Strategic Marketing

VPr-Multicultural Affairs

Public Relations

The Electronic University

FundRaising

The World University

VPr-Info Tech

Internal Communication

University Enterprise

Medical Center

Zones

VPr-Acad Affairs

Information Technology

Community Relations

Diversity Agenda

State Relations

Undergraduate Education

Federal Relations

Ch-UMD

Graduate Education

Alumni Relations

Ch-UMF

Professional Education

Public Service

Regional Campuses

...

# An Alternative Taxonomy

## Current Taxonomy

LS&A  
...Humanities  
...Social Sciences  
...Natural Sciences  
Analytical Professions  
...Business  
...Law  
...Engineering  
...Architecture  
Social Professions  
...Education  
...Social Work  
...Library Science  
...Public Policy  
...Natural Resources  
Health Professions  
...Medicine  
...Nursing  
...Dentistry  
...Public Health  
...Pharmacy  
Arts  
...Music  
...Art  
...Museums

## Alternative Taxonomy

University College  
School of Arts and Letters  
...Humanities  
...Fine Arts  
...Performing Arts  
...Museums, Halls, Theatres  
School of Science and Engineering  
...Natural Sciences  
...Engineering  
...Architecture  
School of Social Sciences and Policy  
...Social Sciences  
...Social Work  
...Public Policy  
...Natural Resources  
Division of Health Sciences  
...Medicine  
...Nursing  
...Dentistry  
...Public Health  
...Pharmacy  
Professional Schools  
...Law  
...Business Administration  
...Knowledge Administration (SILS)  
...Education

# Characteristics

- **The Michigan Mandate**
- **The Michigan Agenda for Women**
- **Internationalization of UMAA**
- **UMAA characteristics**
  - **enrollments**
  - **program mix**
  - **campus evolution**
- **UMD, UMF trajectories**
- **New market strategies**

## **Some Tough Questions: Characteristics**

- 1. What is the appropriate size of the Ann Arbor campus?**
- 2. Do we need to make major changes in the distribution of enrollments among undergraduate, graduate, and professional programs?**
- 3. What is the appropriate trajectory for the UMD and UMF campuses?**
- 4. Do we need to develop new markets? (E.g., distance learning)**

# Intellectual Restructuring

- **Reduce specialization**
  - Reduce number of courses
  - Core UG curriculum for all majors (Gateway Campus?)
  - Merging of overly-specialized graduate programs
- **Restructuring of PhD degree**
- **"Research Applied to National Needs" Projects**
- **Major integrative complexes**
  - ITIC, Gateway Campus
- **Faculty roles**
  - University Professors, tenure-->contracts, □
- **The New University**

## **Some Tough Questions: Intellectual**

- 1. How can we dramatically reduce the degree of specialization in our academic programs?**
- 2. Do we need to achieve a major paradigm shift in the nature of undergraduate education? If so, then how do we go about this?**
- 3. Do we need to achieve a major paradigm shift in the nature of graduate education? If so, then how do we go about this?**
- 4. What about a conscious effort to move to more non-degree instruction (e.g., "just-in-time" learning)?**
- 5. How do we better enable the University to undergo vigorous intellectual change--led by our strongest faculty?**
- 6. Should we embark on a series of University-wide research efforts aimed at the great challenges facing contemporary society (e.g., global change, K-12 education, urban studies □ )?**

# External Relations

- **Rebuild state relations function**
- **Augment statewide outreach with sustained polling**
- **Develop a more strategic approach to Washington**
- **Community campaign**
- **Rebuild Development leadership**
- **International strategies**

## **Some Tough Questions: External Relations**

- 1. Should we develop more of a marketing approach to community and state relations? If so, then how?**
- 2. How do we develop a more strategic approach to federal relations?**
- 3. Is there a need to better integrate the activities of the UM Alumni Association with the University?**
- 4. Should we develop key international focal points for outreach, e.g., Hong Kong, Tokyo, London, Berlin?**
- 5. How do we couple our external relations activities with a strategic internal communications effort?**



# Cultural Issues

- **Faculty responsibility and accountability**
  - Faculty governance**
  - Undergraduate education**
- **Faculty and staff productivity**
  - Workload balancing**
  - Career development**
- **Incentives**
  - Compensation**
  - Awards, honors**
- **Streamlining the decision and execution process**
- **Services as OEMs, outsourcing**
- **Entrepreneurial incentives**
- **Risk-taking, fault tolerance**

## **Some Tough Questions: Cultural**

- 1. How do we change the faculty culture to achieve:**
  - greater accountability and responsibility?**
  - greater loyalty to the University?**
  - broader intellectual teaching and scholarship?**
  - more risk-taking and innovation?**
- 2. How do we empower our best faculty to play more significant roles in the future evolution of the University?**
- 3. How can we overcome the inertia of the status quo and consensus to provide the University with the capacity to make and execute decisions rapidly enough to respond to the changing needs of society?**
- 4. How do we distinguish between the "academic" culture characterizing faculty and students and the "professional" culture characterizing staff?**
- 5. How do we build a culture of tolerance and respect that values diversity on our campuses?**

## **Some Tough Questions: General**

- 1. How do we make the case to the University community--and our various external constituencies--that rapid and profound change is necessary? How do we create the necessary sense of urgency, along with the sense of confidence and excitement that makes dramatic change possible?**
- 2. How dramatic and rapid does our transformation effort need to be? Is it evolution ("extrapolation") or revolution ("innovation")?**
- 3. Are we getting the right people in key leadership positions to understand and execute the transformation process?**
- 4. What role should the Deans play? What about the Regents?**
- 5. How do we handle large units that will be particularly resistive to change? (LS&A? Engineering? Law?)**
- 6. How do we balance the University's tradition of decentralization and unit autonomy with the need to achieve institution-wide transformation?**

# **Steps in the Transformation Process**

- 1. Build a shared vision among the Executive Officers**
- 2. Augment the EO Team with selected deans and directors**
- 3. Involve the Regents in the transformation effort**
- 4. Creation of advisory groups**
- 5. Implementation of strategic communications efforts**
- 6. Launching Presidential Commissions**
- 7. Igniting the sparks of transformation**
- 8. Streamlining process and procedure**
- 9. The identification and activation of change agents**
- 10. Selecting leadership for a period of change**

# **Supporting Needs**

- 1. The President's Vision**
- 2. Strategic Communications/Marketing Efforts**
- 3. Benchmarking and Assessment**

# Some Tough Questions: Supporting Activities

1. Is the President's "Vision" (e.g., the evolution of Vision 2000, Vision 2017, and the Transformation Plan)
  - exciting, compelling?
  - realistic?
  - too complex?
  - too comprehensive?
2. How important--and urgent--is it that we design and implement a strategic internal communications/marketing plan in support of this agenda? How do we go about doing this?
3. How do we resist the UM tendency toward rejecting anything "not invented here"?
4. How do we neutralize the "threats" of the moment to allow such a strategic effort?
  - media manipulation (e.g., OMA, FIOA)
  - faculty resistance to change (SACUA, etc.)
  - brush fires (e.g., athletics, PC, salaries,...)

# Transformation Actions

