

# A Lesson Learned...

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**There is no more delicate matter to take in hand, nor more dangerous to conduct, nor more doubtful of success, than to step up as a leader in the introduction of change. For he who innovates will have for his enemies all those who are well off under the existing order of things, and only lukewarm support in those who might be better off under the new way.**

**Niccolo Machiavelli**

# Leadership Phases

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Phase I: Consultation

Phase II: Positioning (Vision 2000)

Phase III: Transformation (Vision 2017)

# *Agenda for Past Decade*

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## n **Academic Programs**

- Improving quality of all programs
- Restoring support for LS&A
- Strengthening the basic sciences
- Strengthening the health sciences
- Achieving competitive faculty salaries

## n **Education**

- A recommitment to undergraduate education
- Stressing importance of teaching
- Professional curriculum redesign
- Living/learning communities
- Continuing education and distance learning
- International education (MUCIA, etc.)

# *Agenda for Past Decade (continued)*

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## n **Research**

- Improving research climate on campus
- Leadership in national research policy
- Research incentive program
- Technology transfer
- Policy development (academic misconduct, conflict of interest)
- Public-private sector partnerships

## n **Diversity**

- The Michigan Mandate
- The Michigan Agenda for Women
- Bylaw 14.06
- Economic Diversity
- World University themes

# *Agenda for Past Decade (continued)*

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## n **Campus Life**

- Campus safety initiatives
- Student Rights and Responsibilities Code
- Task Forces on Substance Abuse, Violence Against Women
- Student living/learning environment
- Intercollegiate Athletics

## n **Financial Strength**

- Cost containment measures
- Asset management strategies
- Development of alternative sources of revenue
- Achievement of Aa1 Wall Street credit rating

## n **Private Support**

- Private Giving: \$60 M/y --> \$150 M/y
- Endowment: \$280 M --> \$1.7 B
- Campaign for Michigan: > \$1 B

# *Agenda for Past Decade (continued)*

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## **n Financial and Organizational Restructuring**

- New budget strategies (PACE, ACUB)
- M-Quality
- UM Hospitals Transformation
- Asset management programs
- Value-Centered Management
- Restructuring of auxiliary enterprises
- Human Resources reorganization

## **n Rebuilding the University**

- Rebuilding of the Central Campus
- Completion of North Campus
- Renovation of South Campus
- Medical Center Transformation, East Campus
- Deferred maintenance program
- Re-landscaping the campus
- UM-Flint, UM Dearborn

# *Agenda for Past Decade (continued)*

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## **n Information Technology**

- "Wiring the campus"
- NSFnet --> Internet
- Mainframe --> Client-Server Technology
- Student/faculty access)
- Digital library project (and "The New School")
- Multimedia facilities (the Media Union)

## **n Strengthening the bonds with external constituencies**

- State relations restructuring
- Federal relations restructuring
- Public and media relations
- Community relations

# *Agenda for Past Decade (continued)*

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## **n Transformation of the UM Medical Center**

- Completion of RHP effort
- UMH Transformation Plan
- M-Care
- Michigan Health System
- Alliances with other health care providers

## **n Intercollegiate Athletics**

- Alignment with academic priorities
- Policy development
- Women's athletics
- Restoring financial stability
- Rebuilding athletics facilities
- Big Ten Conference/NCAA leadership



# *Agenda for Past Decade (continued)*

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## **n New Initiatives (Examples)**

- Media Union (ITIC)
- Institute of Humanities
- Institute of Molecular Medicine
- Center for the Study of Global Change
- Community Service/Americorps
- Flat Panel Display Center
- Tauber Manufacturing Institute
- The New School (SILS)
- Living/Learning Environments
- Davidson Institute
- New Music Laboratory
- Institute for Women and Gender Studies
- Rescomp/Angell-Haven
- Direct Lending
- RCM/VCM
- M-Quality
- Incentive compensation experiments
- Presidential Initiative Fund
- Undergraduate Initiative Fund

# *Agenda for Past Decade (cont)*

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## **n National Leadership (Examples)**

- Quality of academic programs
- Quality achieved per resources expended
- Faculty salaries (among publics)
- Research activity
- Financial strength (among publics)
- Information technology environment
- Intercollegiate athletics
- Health care operations

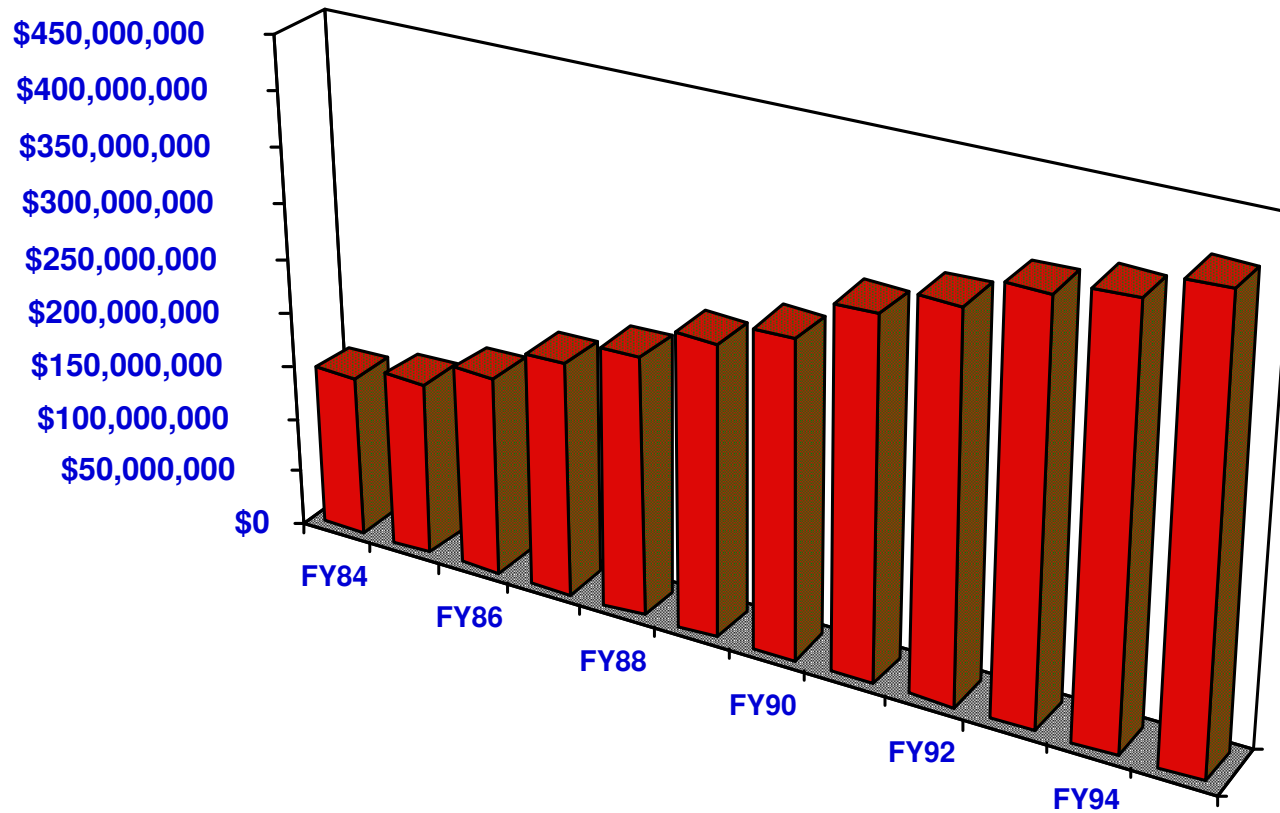
# *Some Indicators of Progress*

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- n **Rankings of academic programs**
- n **Research support (#1 nationally)**
- n **Faculty salaries (#1 public; #8 overall)**
- n **Financial strength**
  - Wall Street: Aa1
  - Endowment: \$1.7 B
  - Campaign for Michigan: > \$1 B
- n **Rebuilding the University (\$1.5 B)**
- n **UM Health Care System**
- n **New Initiatives**
- n **Diversity**
  - Michigan Mandate
  - Michigan Agenda for Women
  - Bylaw 14.06

# Growth in Sponsored Research Expenditures at the University of Michigan-Ann Arbor

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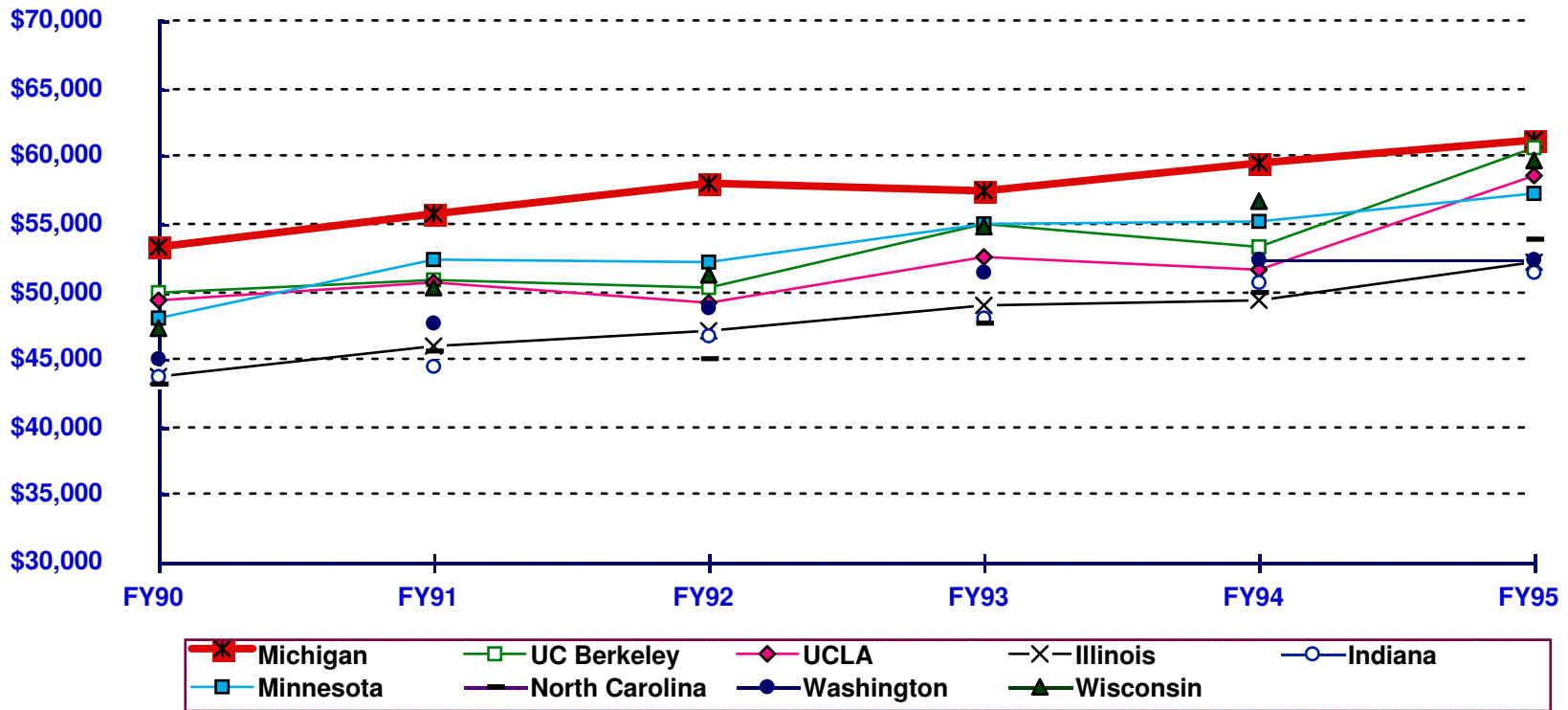


# The University of Michigan's Rankings in Sponsored Research Expenditures

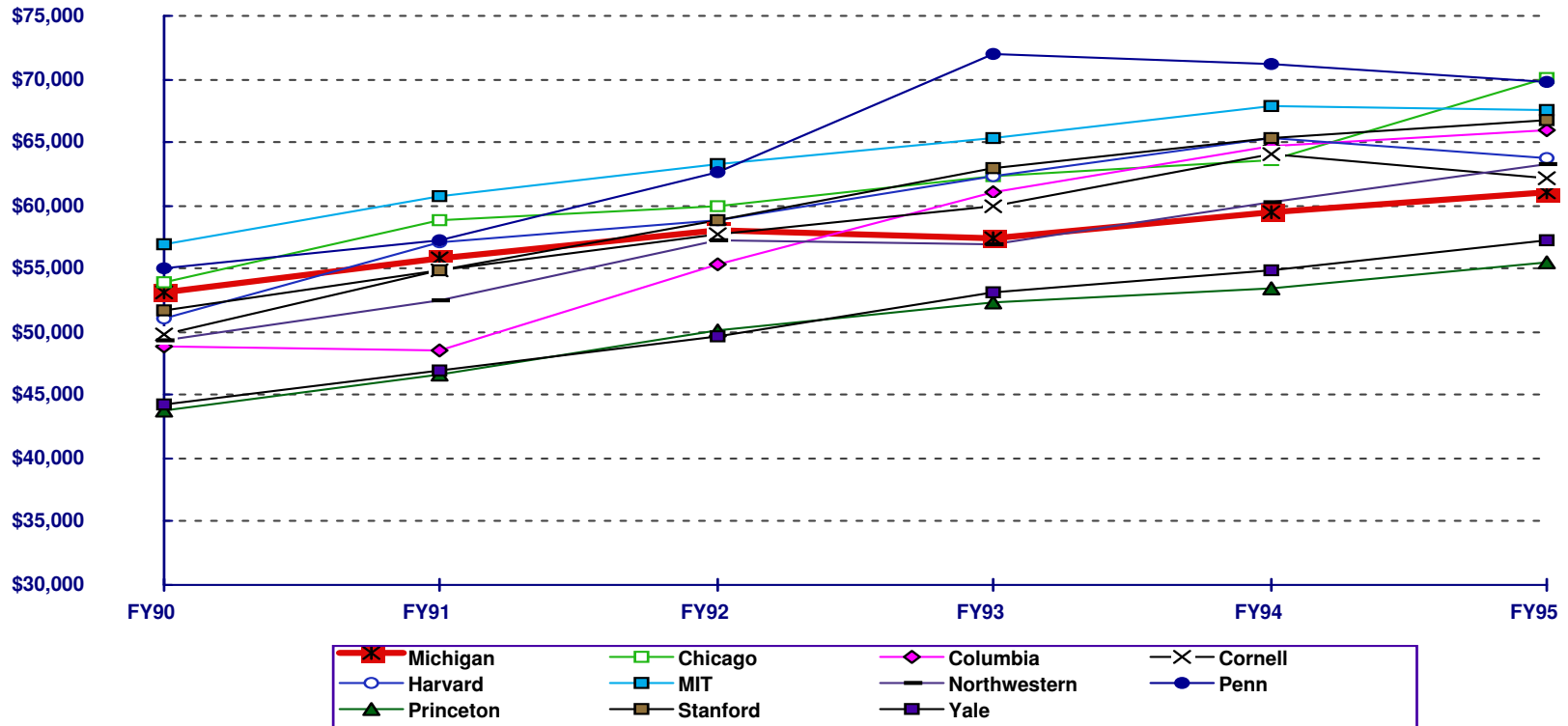
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	<i>Overall</i>	<i>Among Publics</i>
<b>FY87</b>	<b>5</b>	<b>2</b>
<b>FY88</b>	<b>5</b>	<b>2</b>
<b>FY89</b>	<b>5</b>	<b>2</b>
<b>FY90</b>	<b>2</b>	<b>1</b>
<b>FY91</b>	<b>1</b>	<b>1</b>
<b>FY92</b>	<b>1</b>	<b>1</b>
<b>FY93</b>	<b>1</b>	<b>1</b>
<b>FY94</b>	<b>1</b>	<b>1</b>

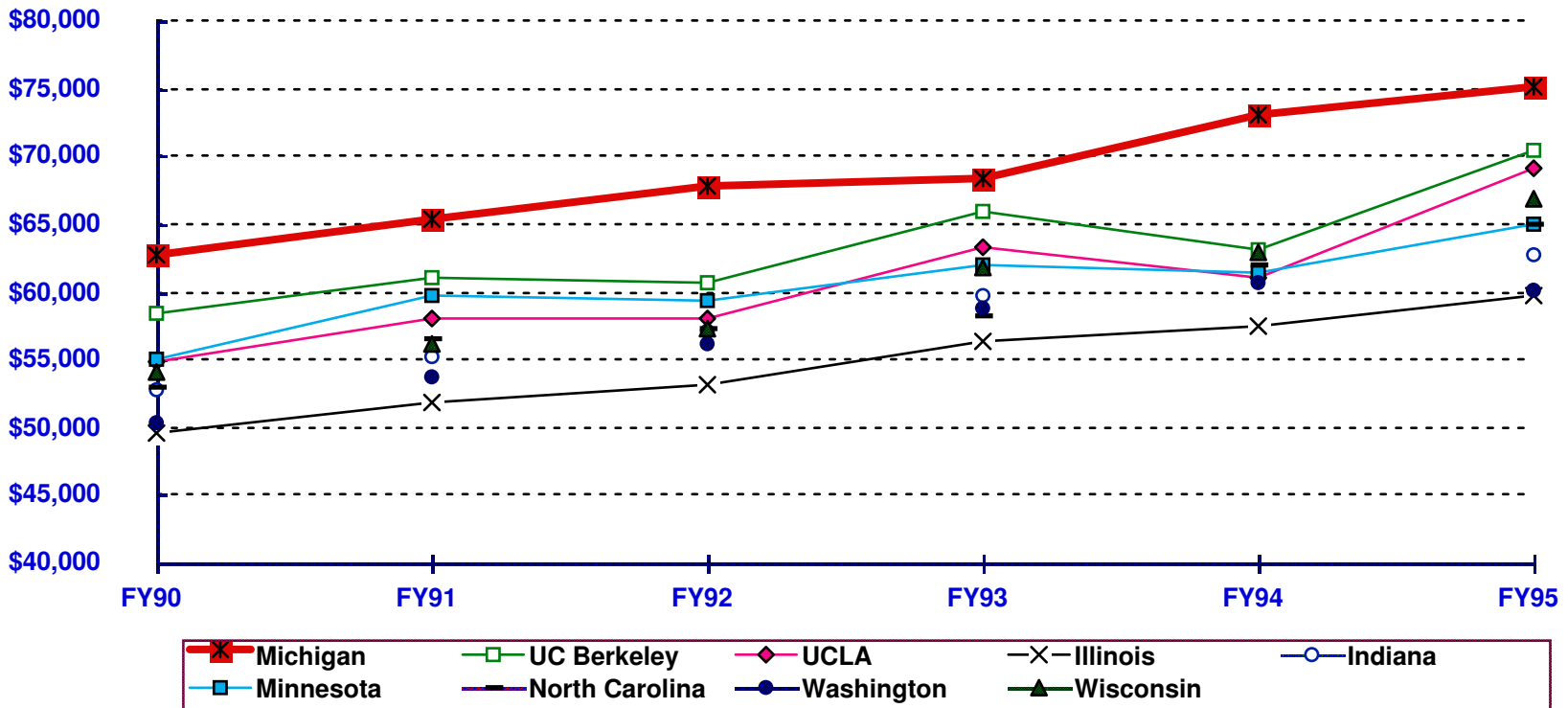
# Average Compensation of Assistant Professors at the University of Michigan-Ann Arbor and Peer Public Universities



# Average Compensation of Assistant Professors at the University of Michigan-Ann Arbor and Peer Private Universities

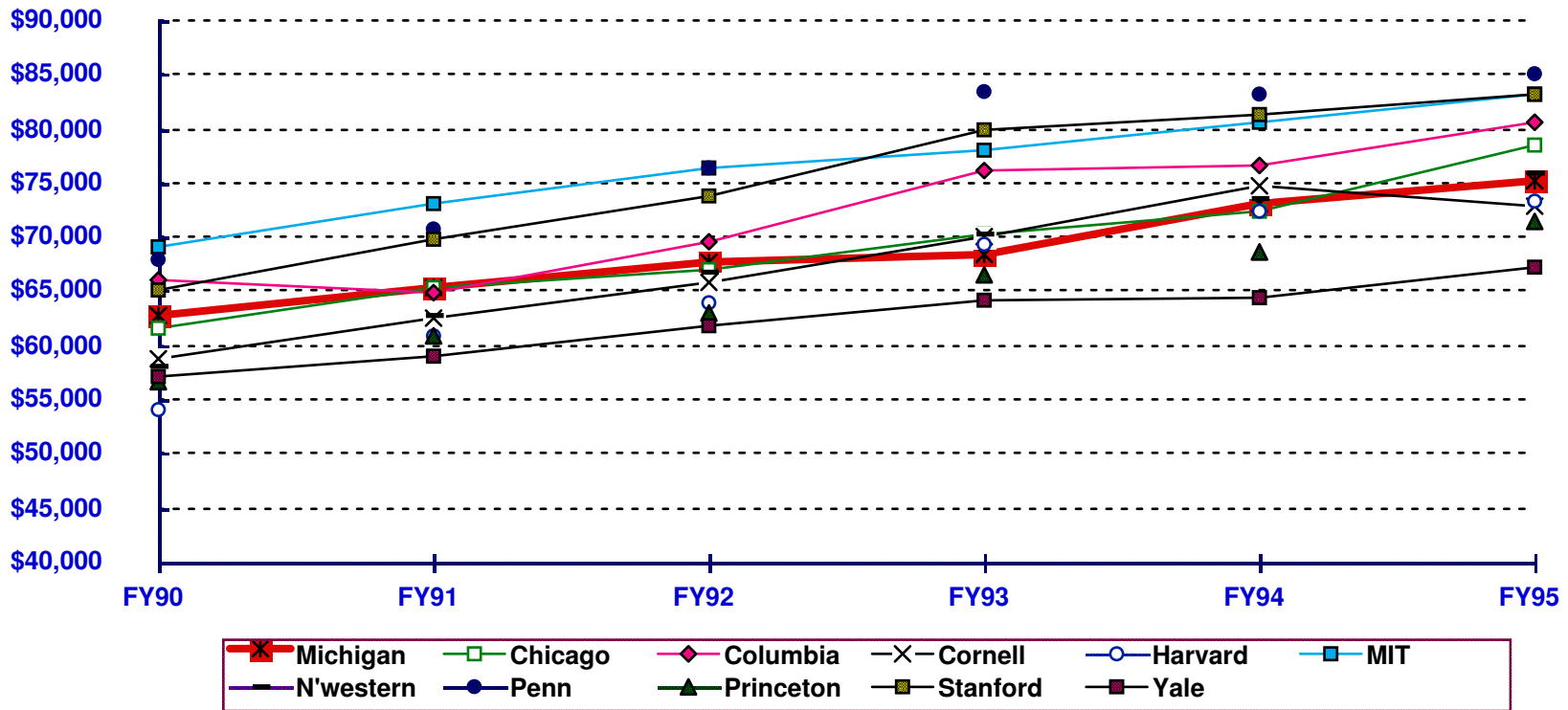


# Average Compensation of Associate Professors at the University of Michigan-Ann Arbor and Peer Public Universities

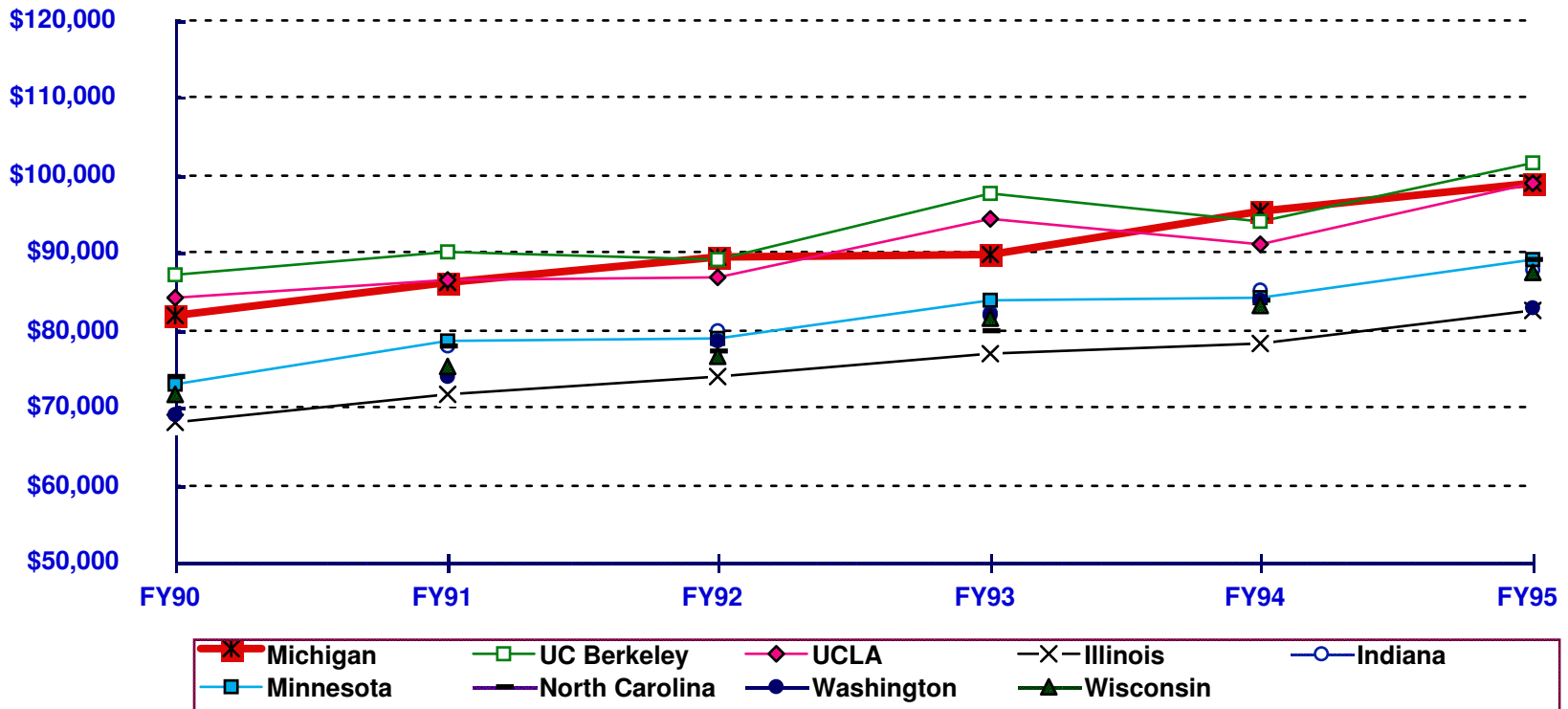




# Average Compensation of Associate Professors at the University of Michigan-Ann Arbor and Peer Private Universities



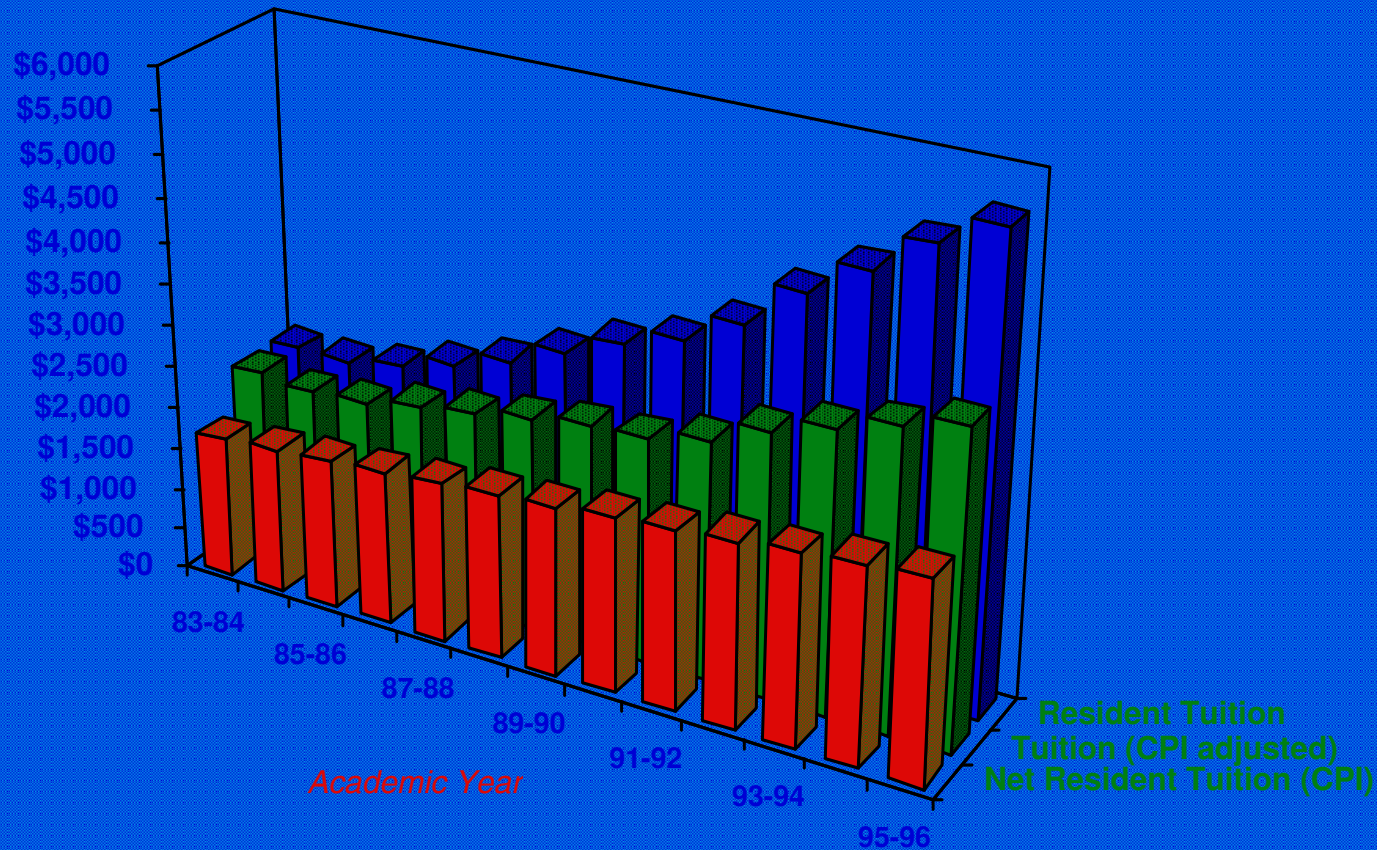
# Average Compensation of Professors at the University of Michigan-Ann Arbor and Peer Public Universities



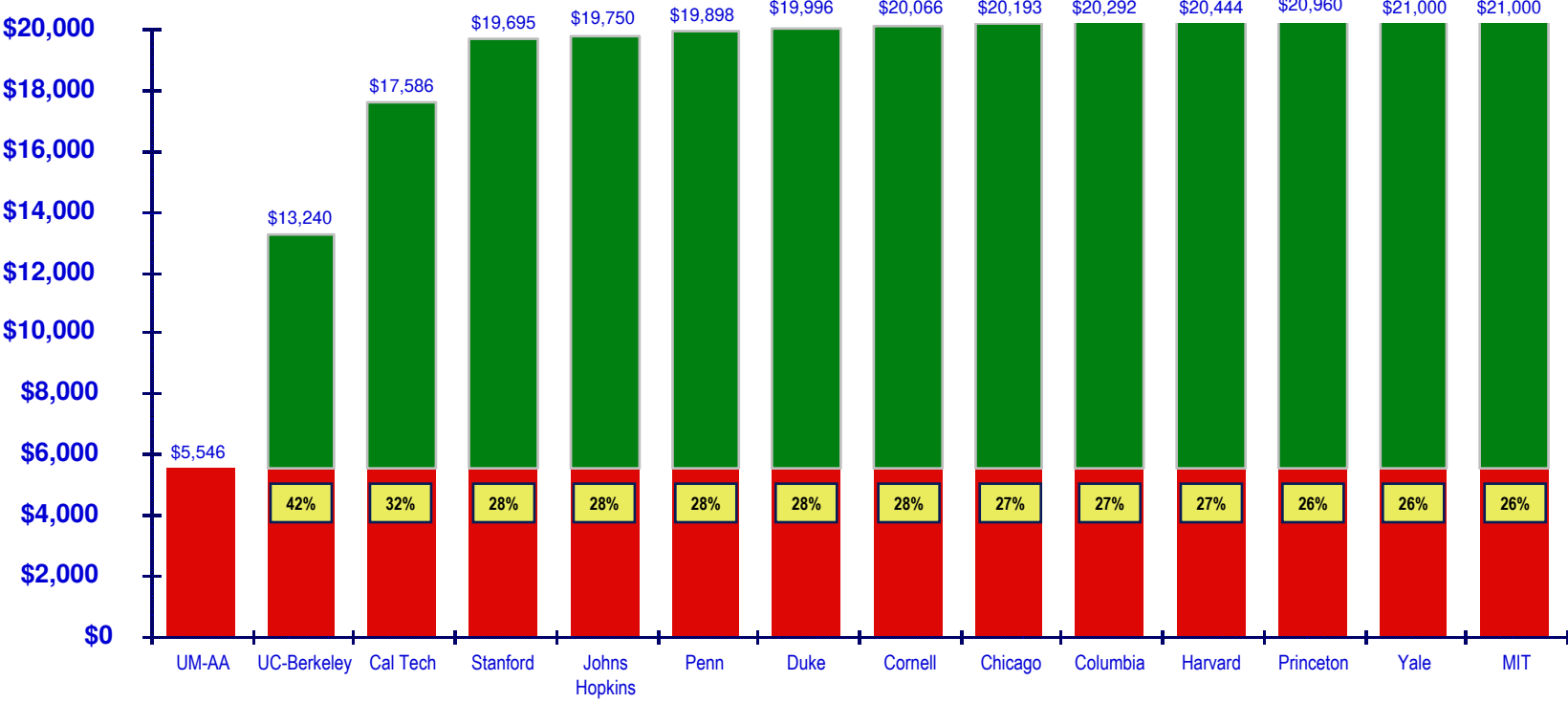


# Resident Undergraduate Tuition

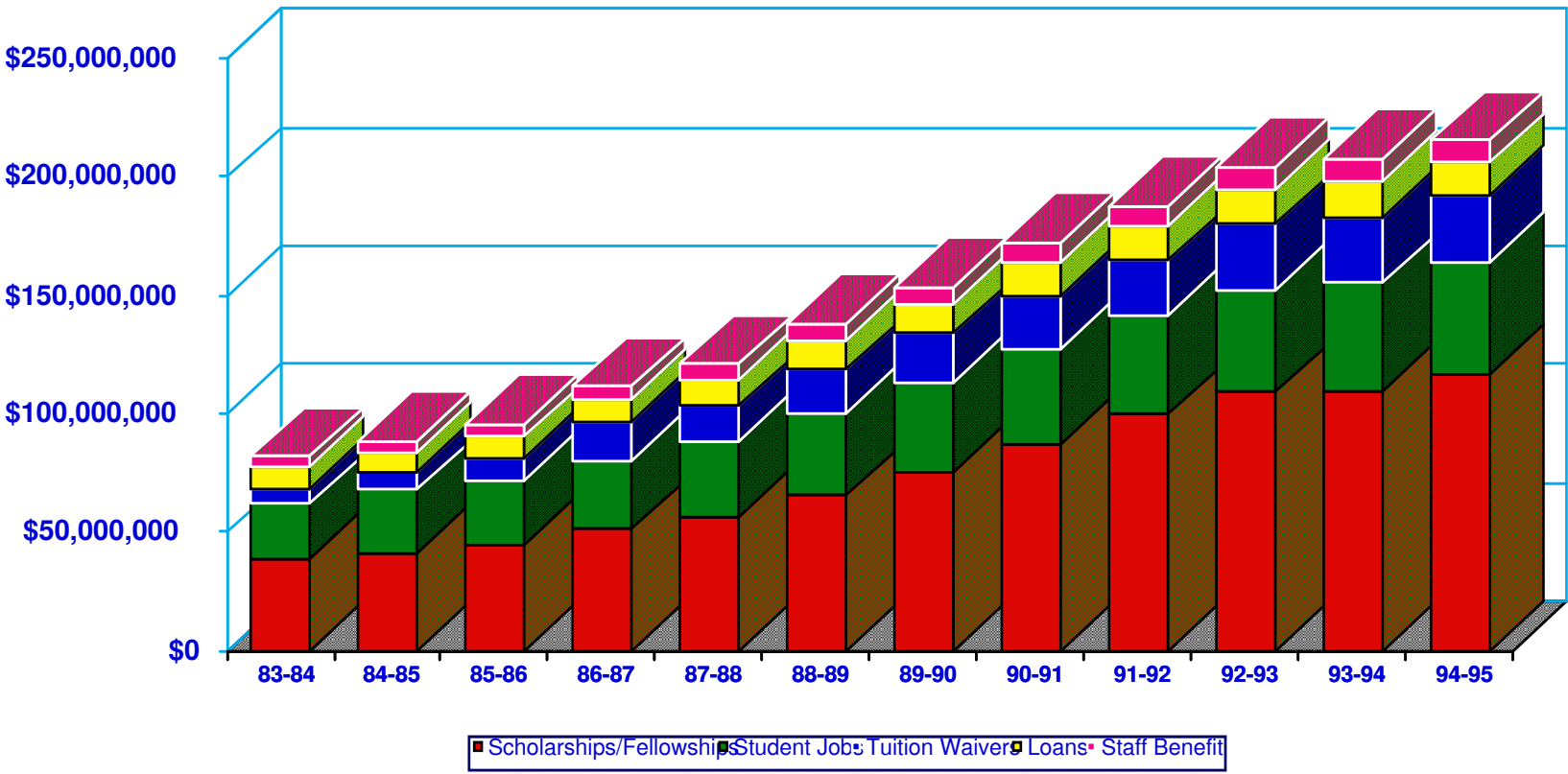
(Actual, Discounted by CPI, and Further Discounted by UM Financial Aid per Undergraduate Student)



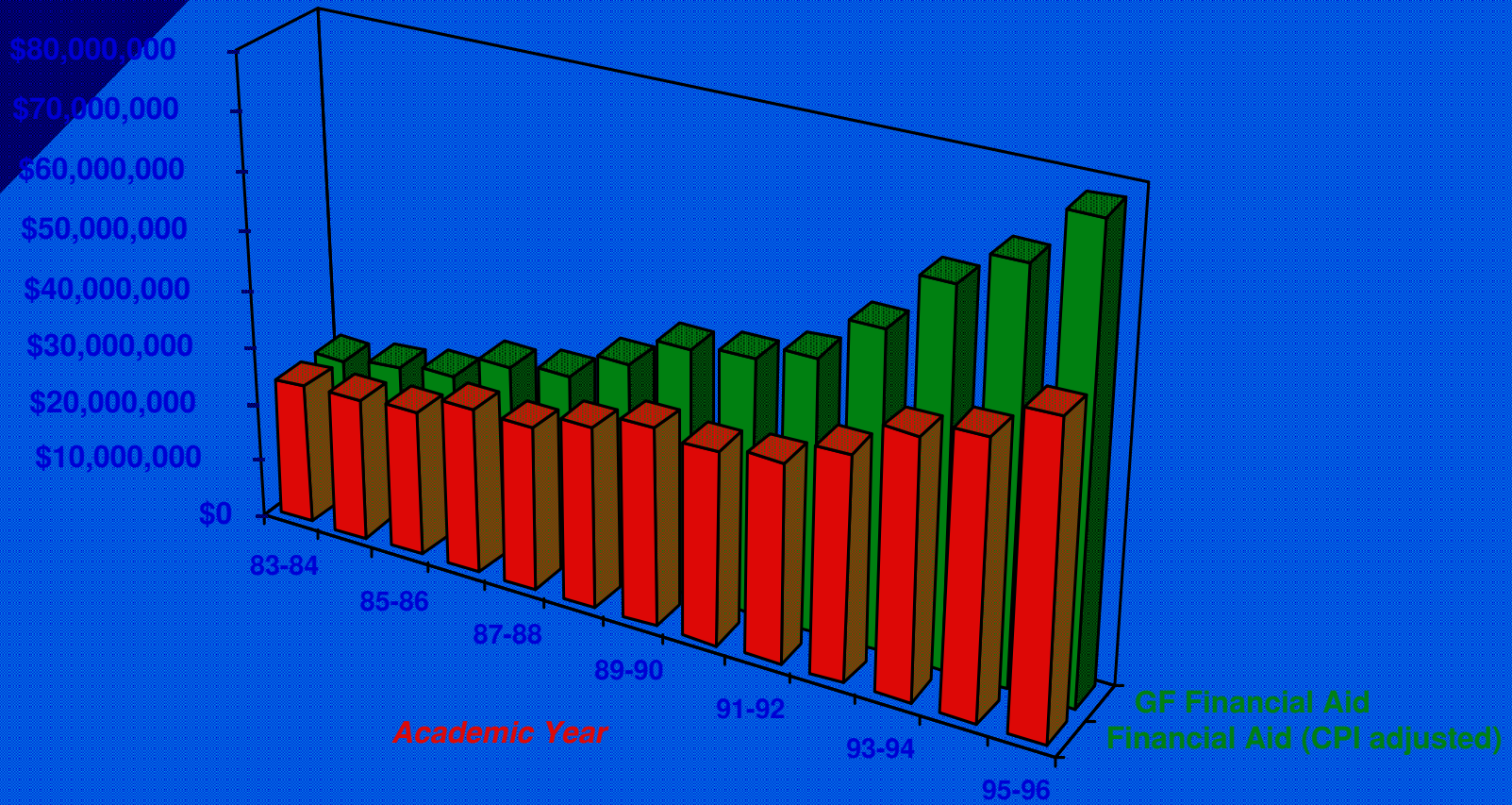
# UM Tuition Cost for a Michigan First Year Undergraduate in Relation to Tuition at Other Top Universities 1995-96



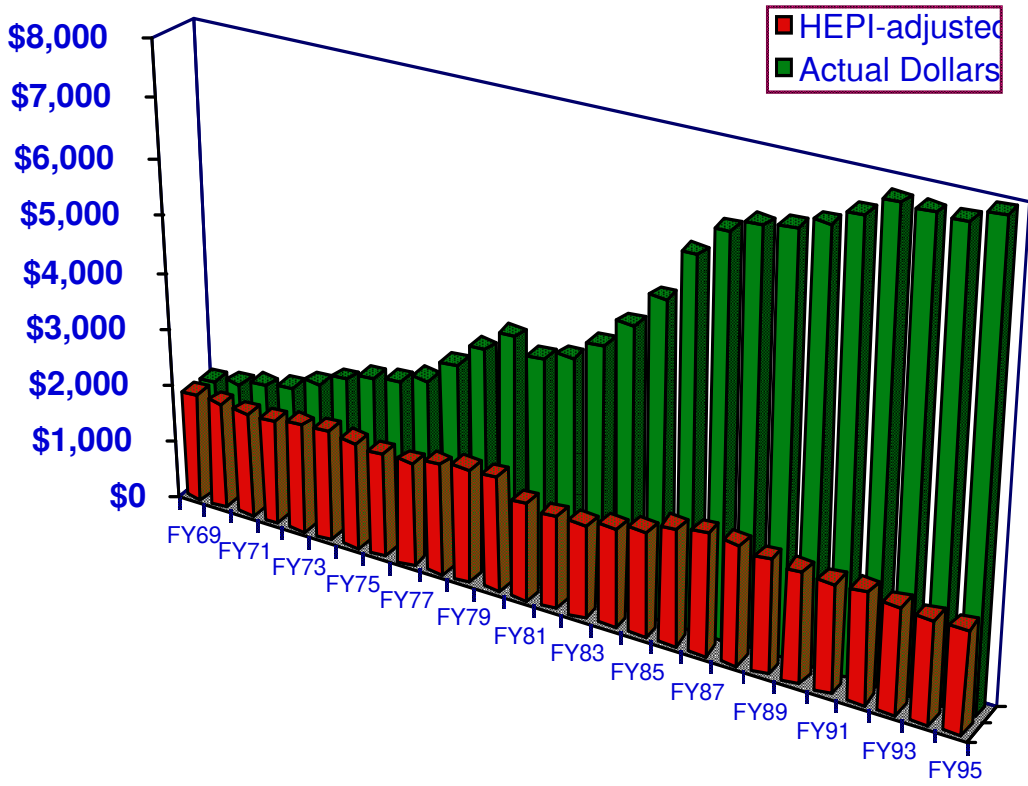
# Components of Student Financial Aid



# General Fund Undergraduate Financial Aid Support

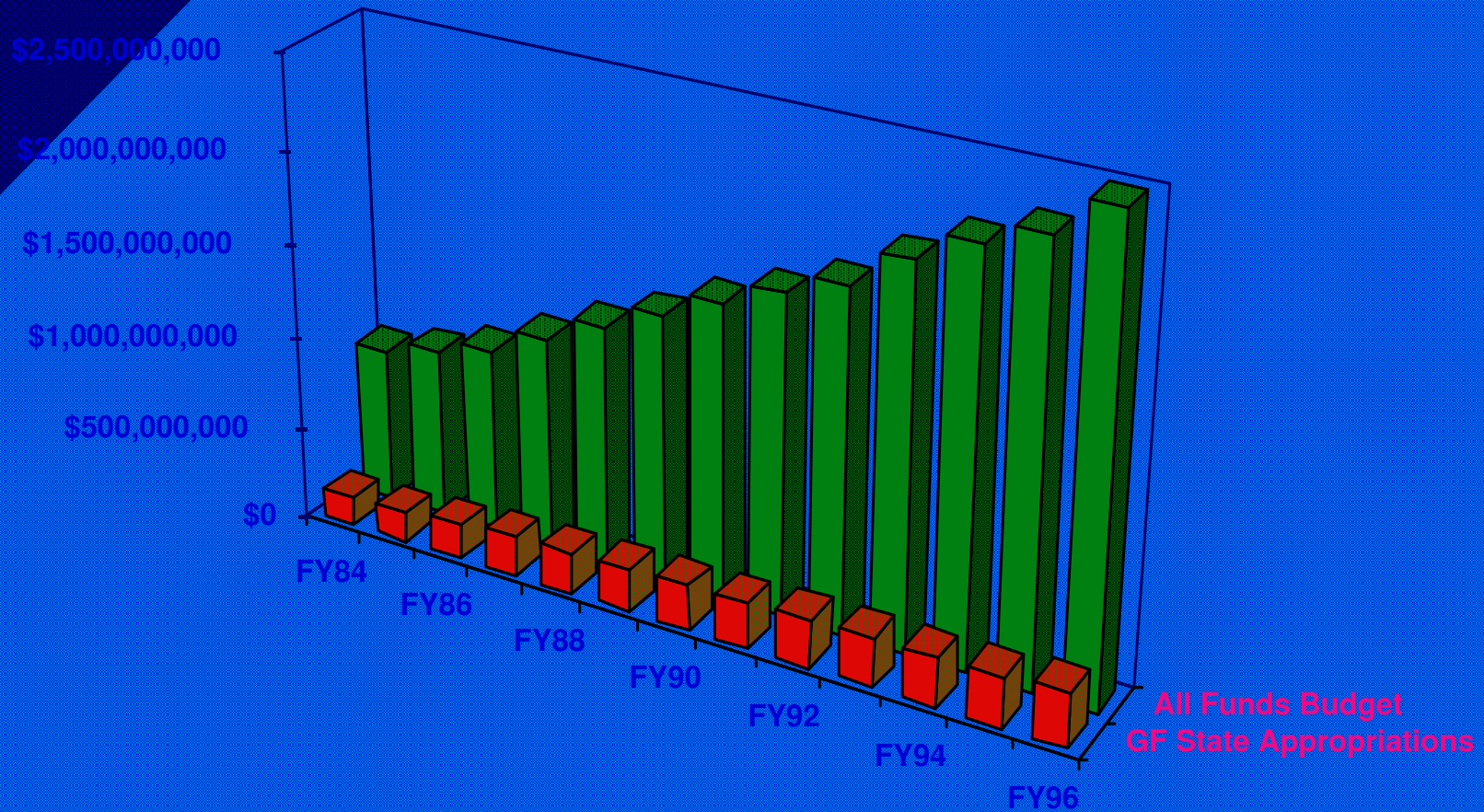


# State Appropriations per Fiscal Year Equated Student (in actual \$ and HEPI adjusted to FY69\$)



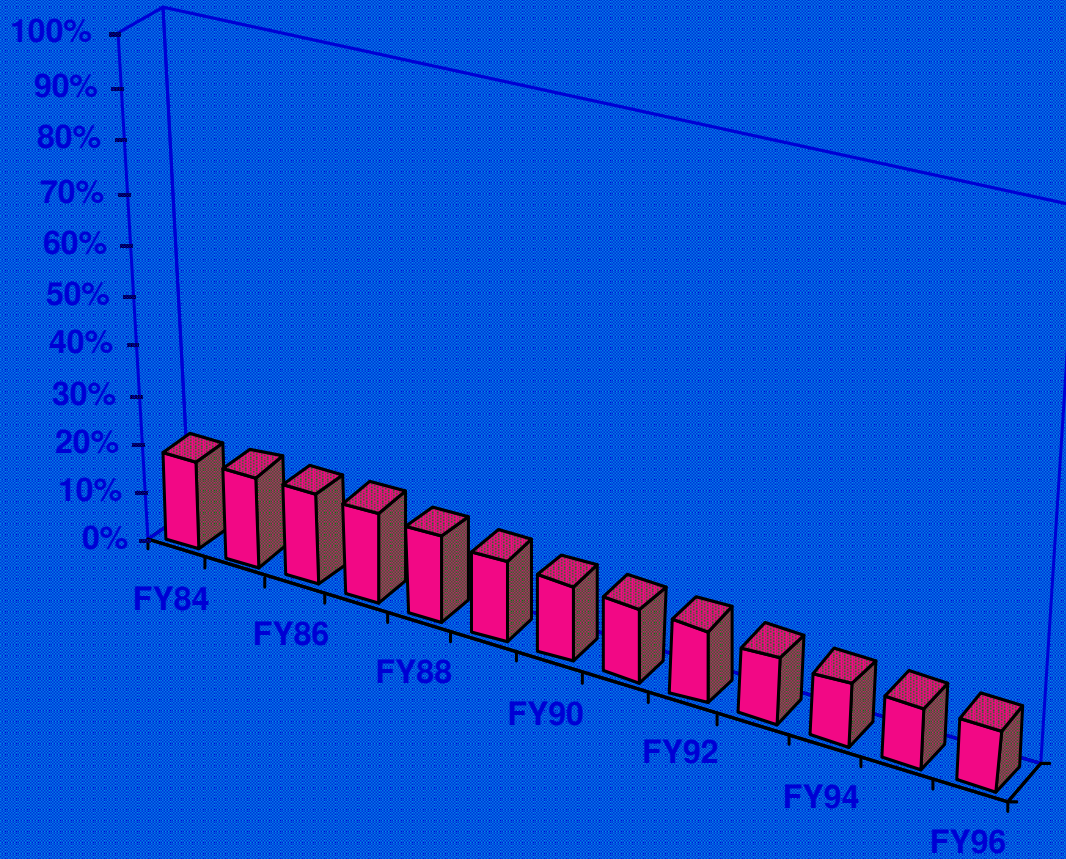


# Comparison of General Fund State Appropriations and All Funds Budget

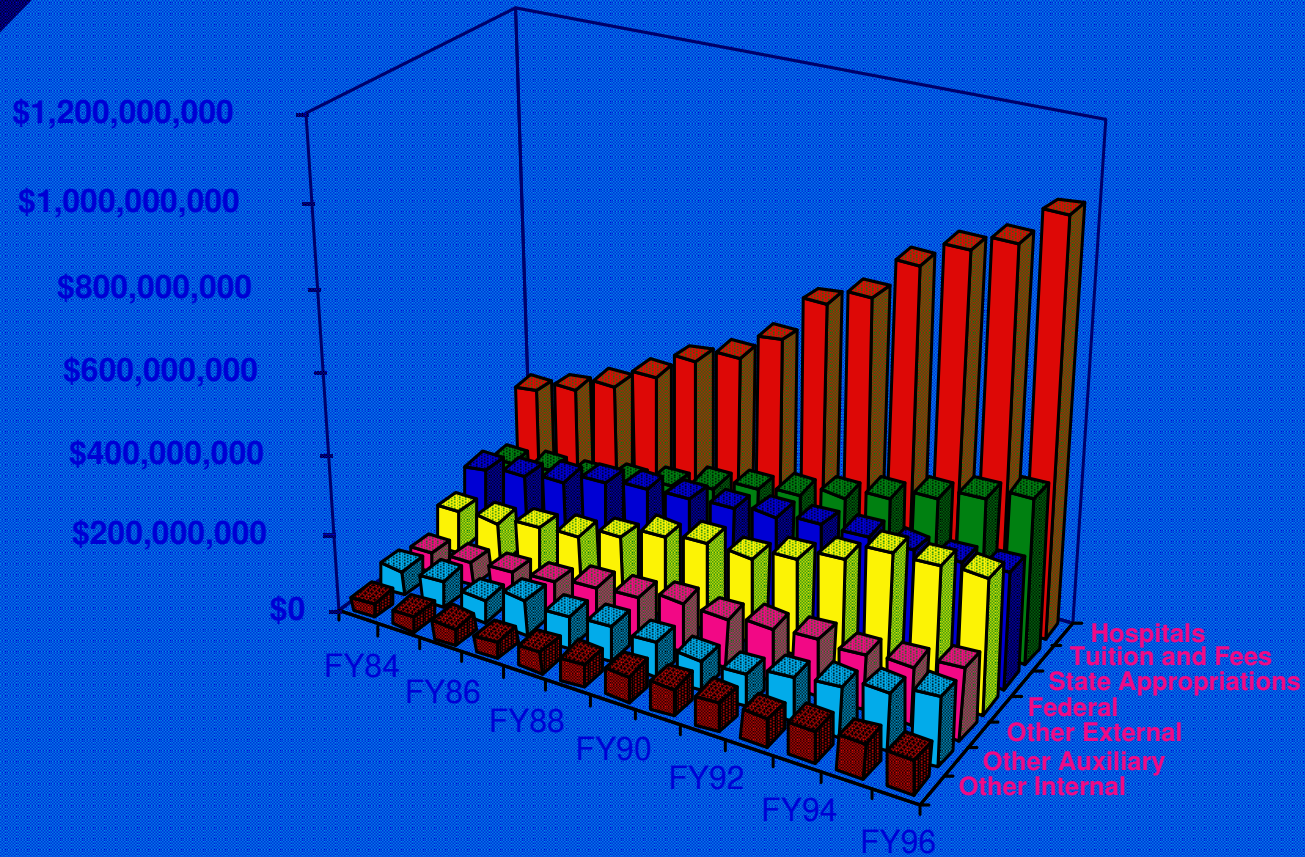


# General Fund State Appropriations as a Percentage of All Funds Budget

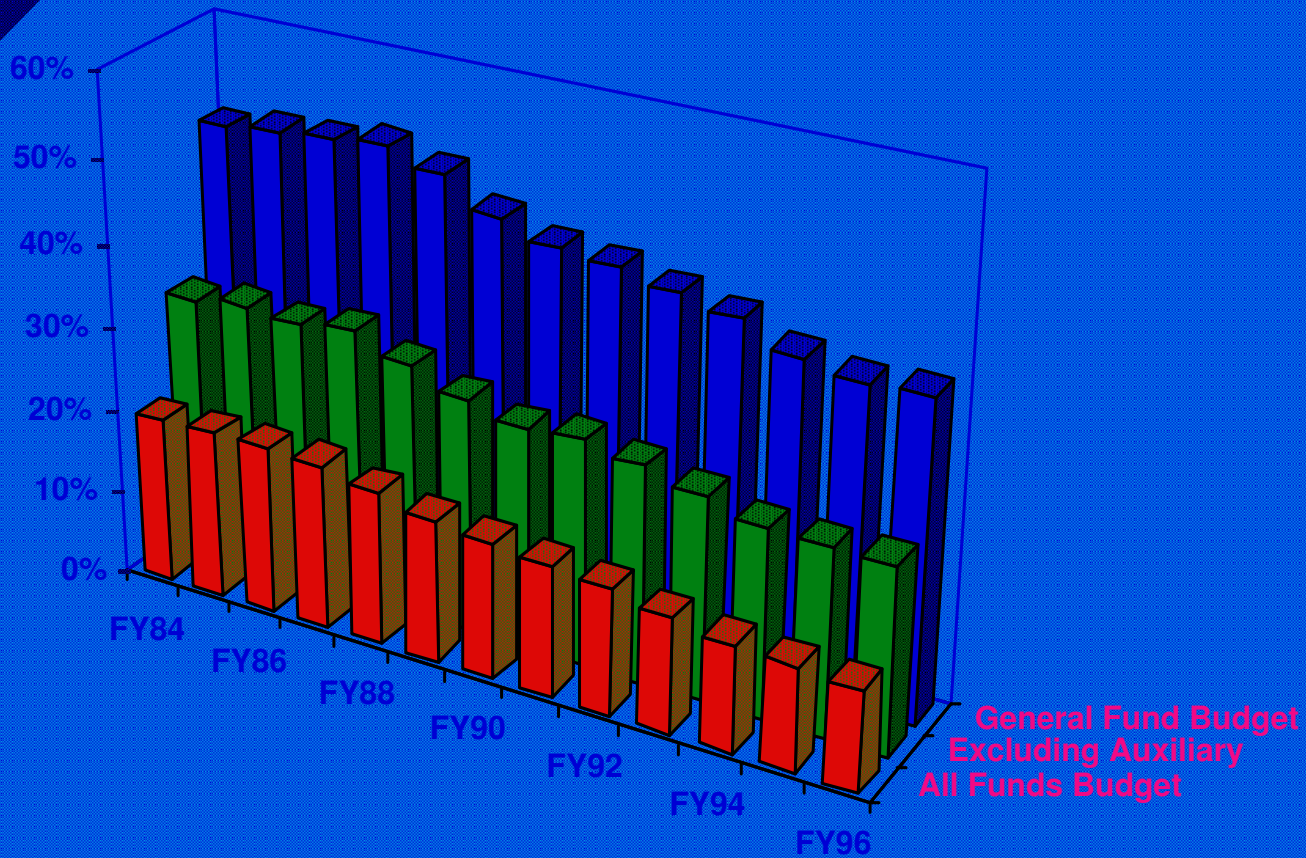
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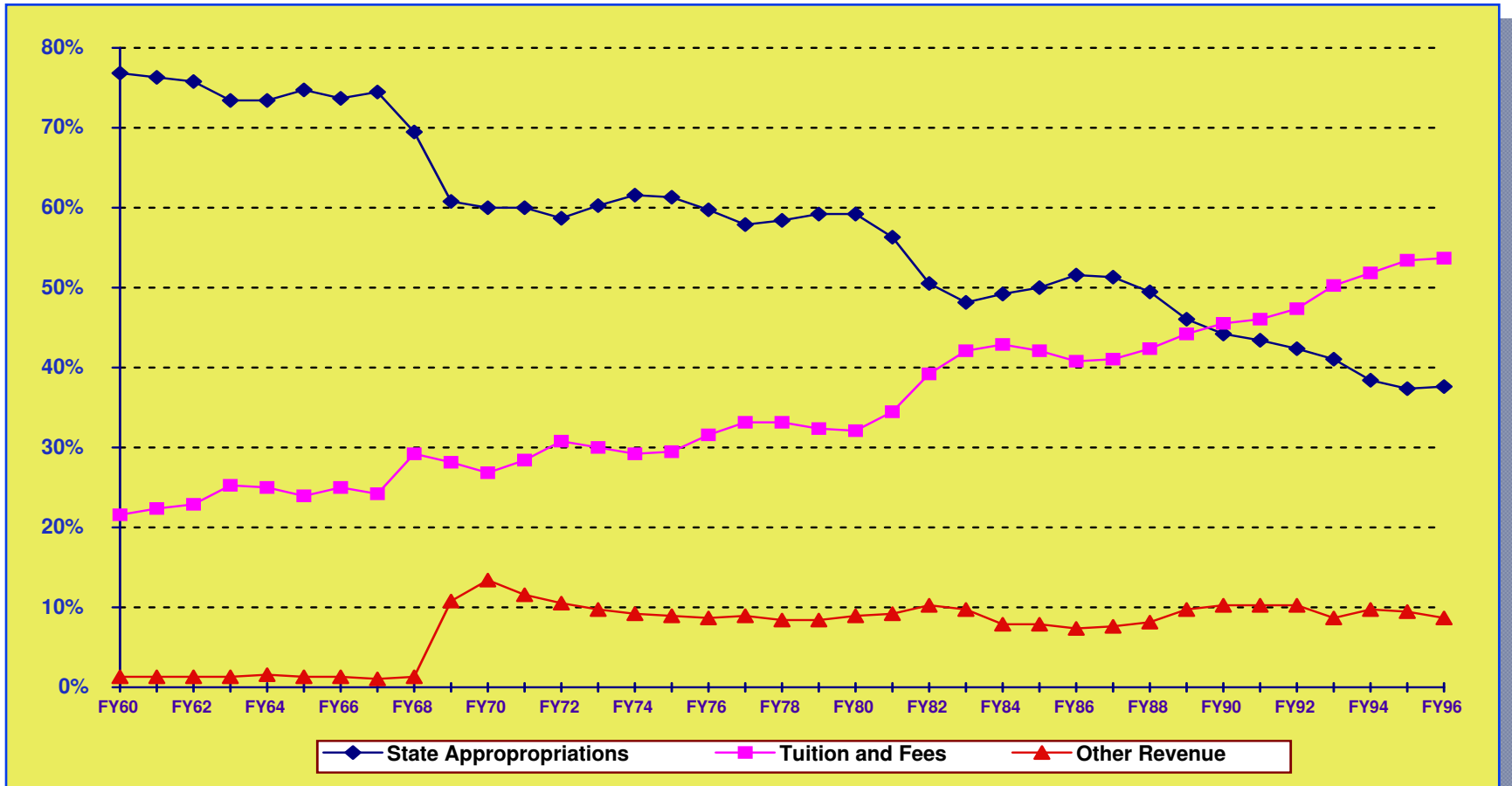
# Components of All Funds Revenue



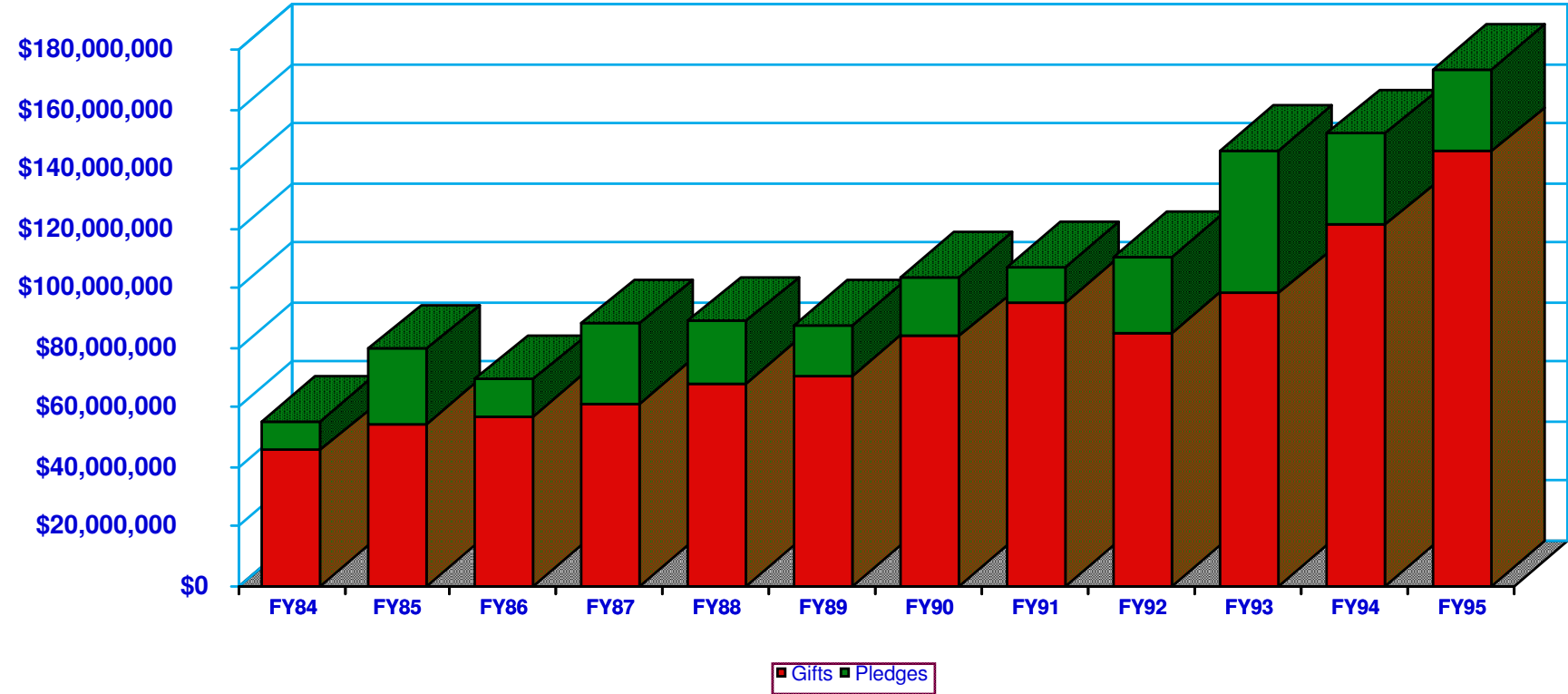
# State Appropriations as a Percentage of Operating Budgets



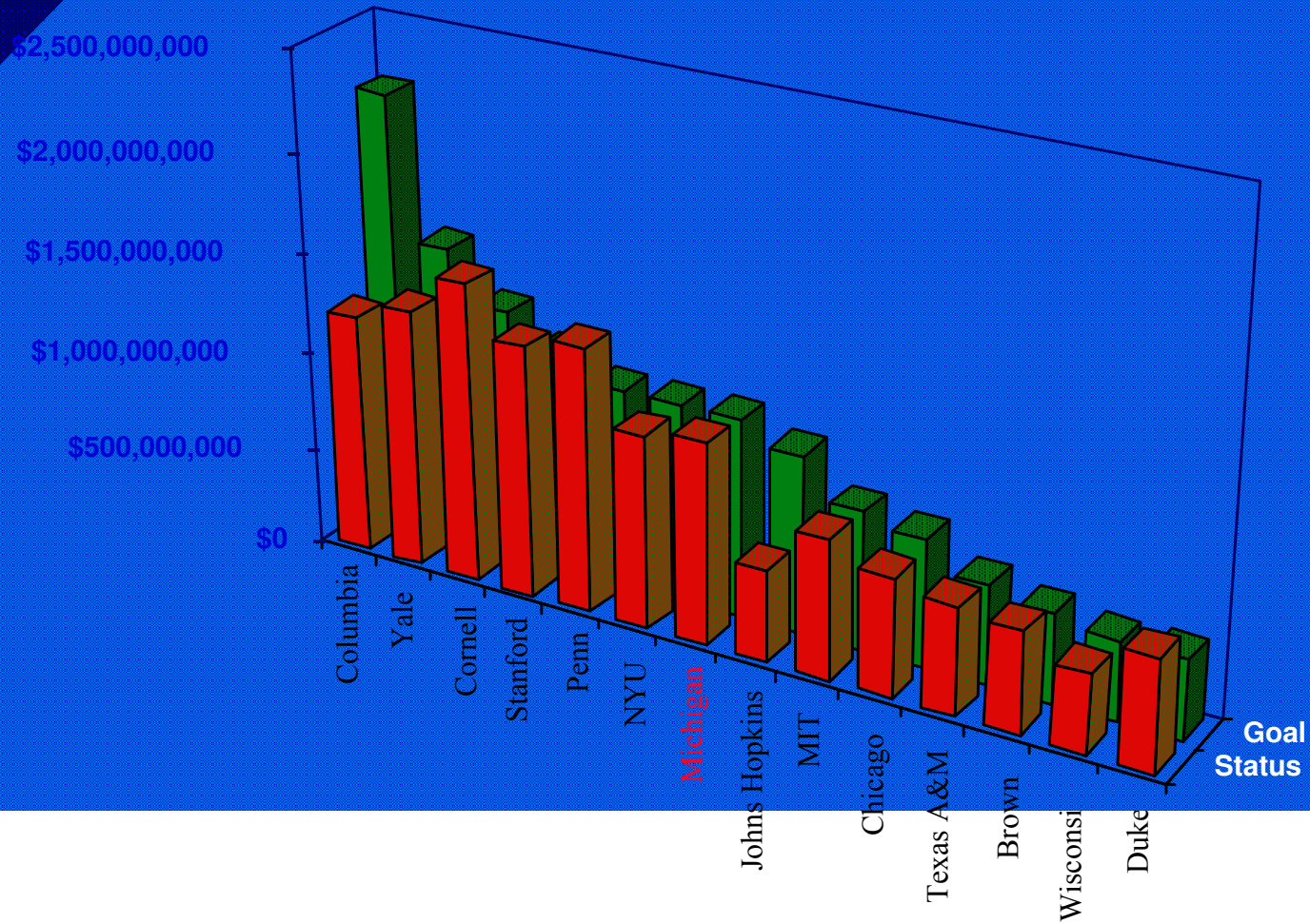
# The Changing Mix of General Fund Revenue



# Private Giving (Gifts and Pledges)

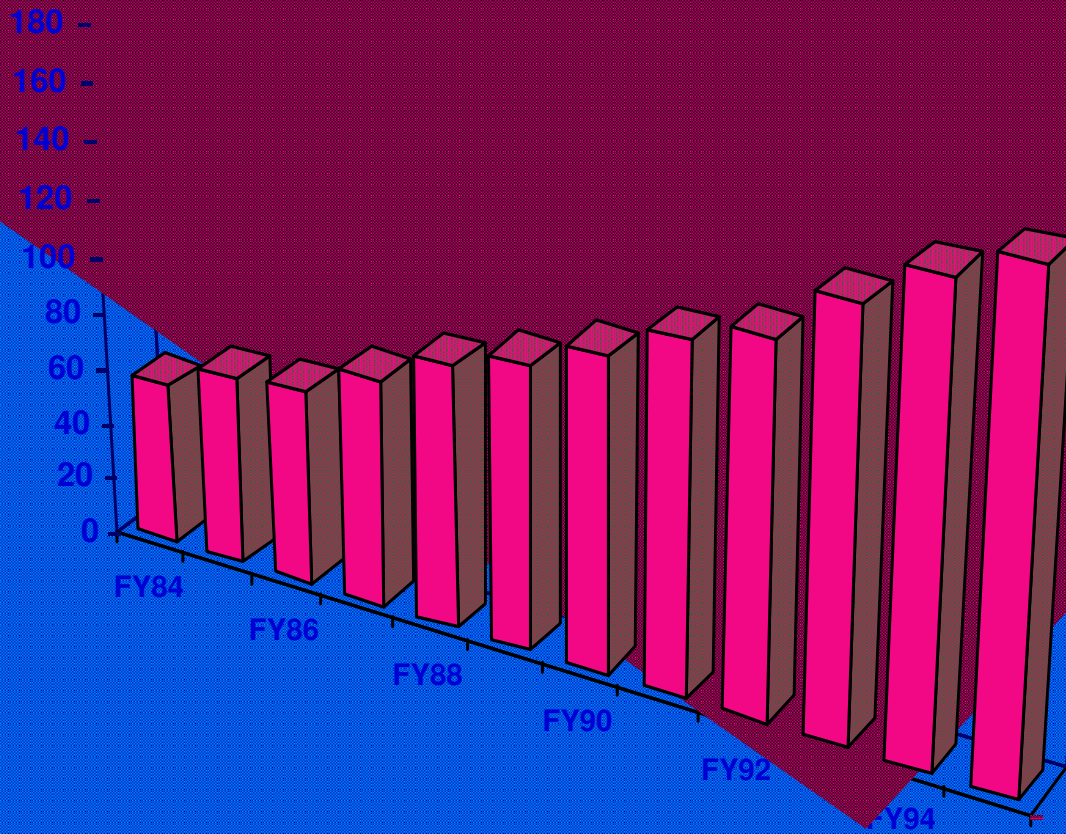


# Campaign Goals and Progress for Selected Major Universities



# Cumulative Growth in Number of Endowed Professorial Chairs

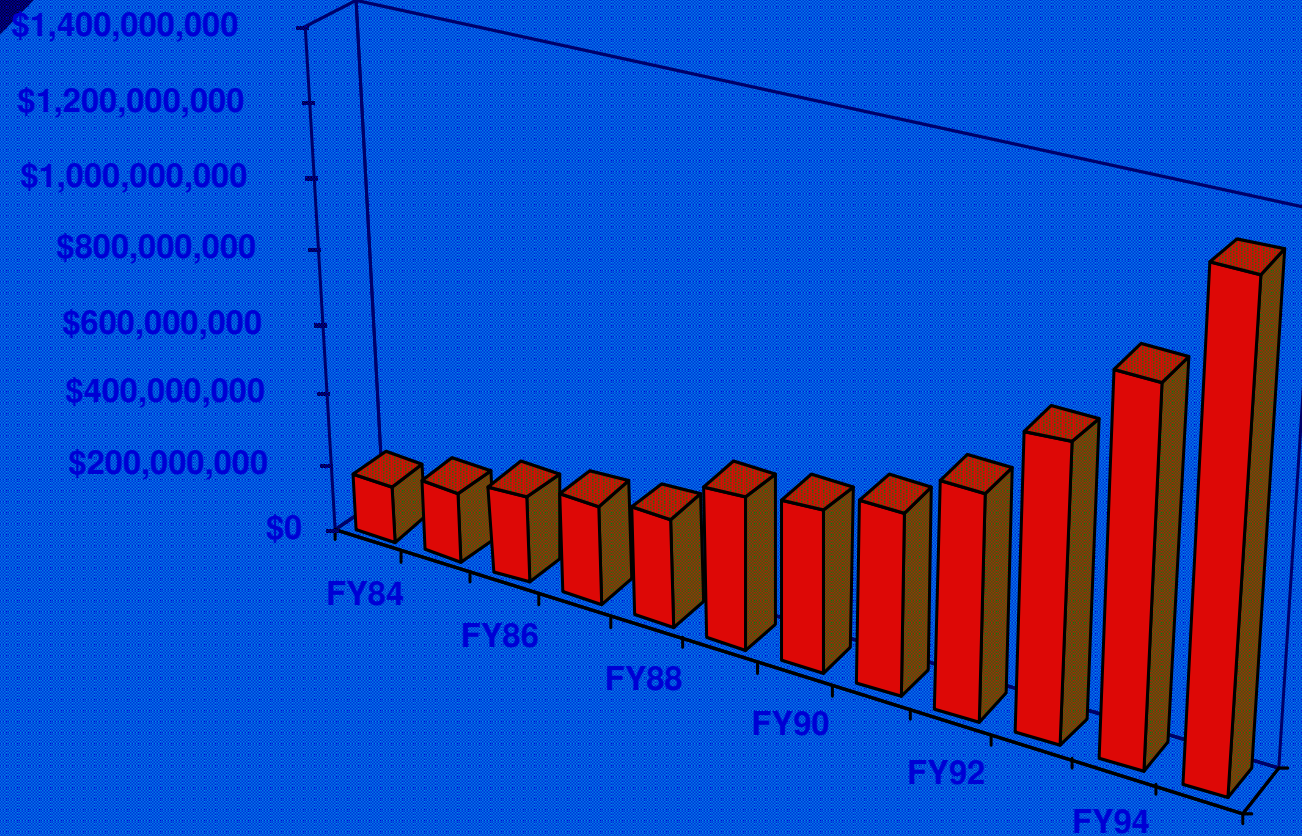
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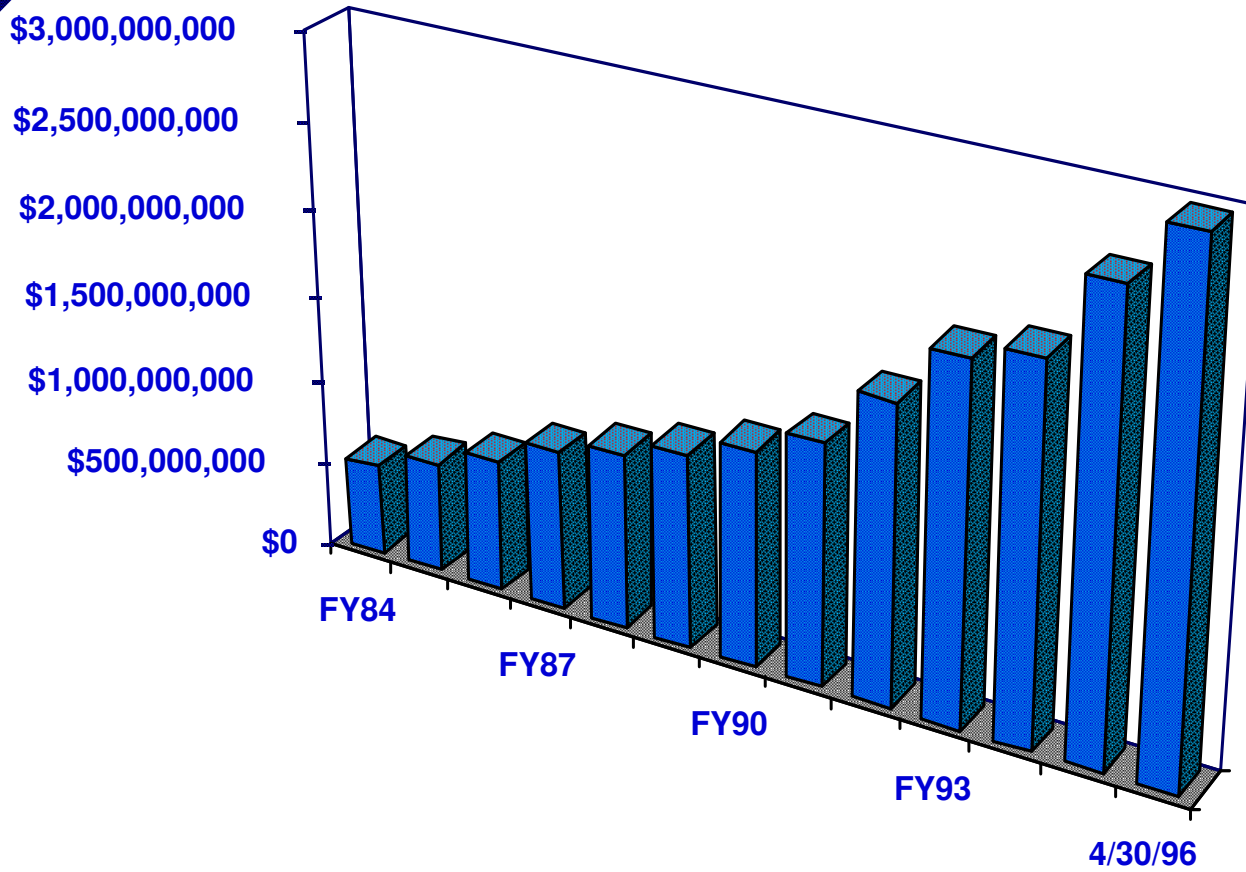
# Growth in University Endowment

## Market Value

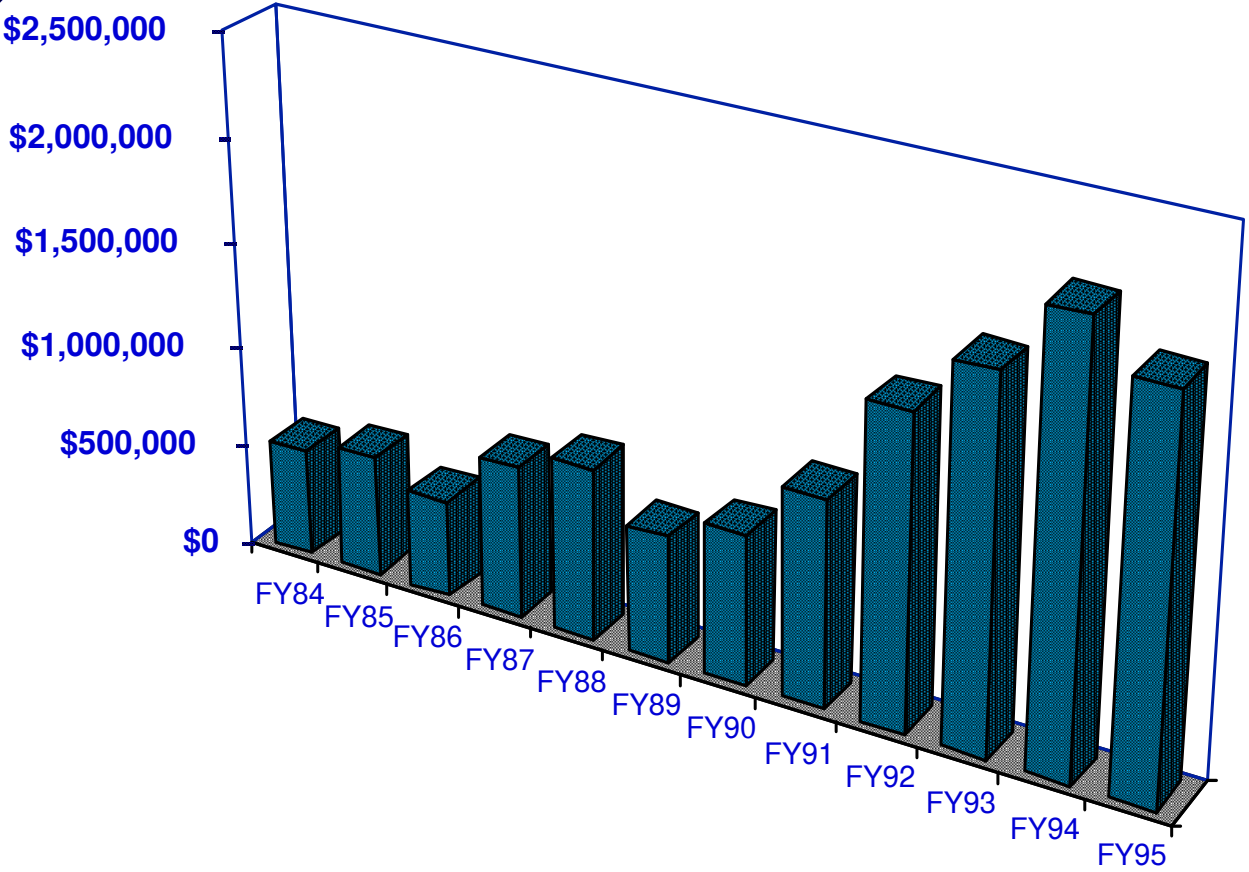


# Growth in Dollars Under Investment Management

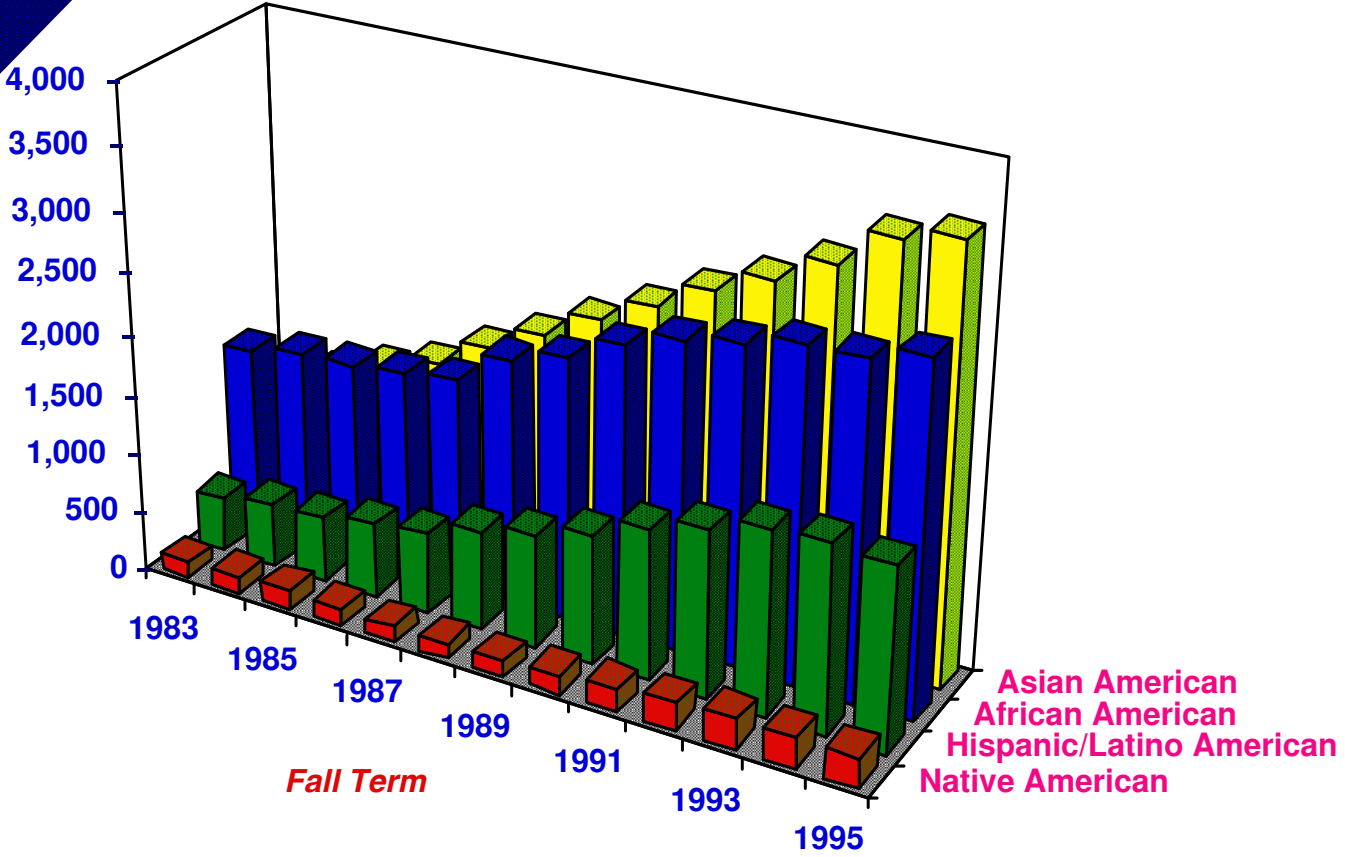
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# Royalty Revenue



# Minority Student Enrollments

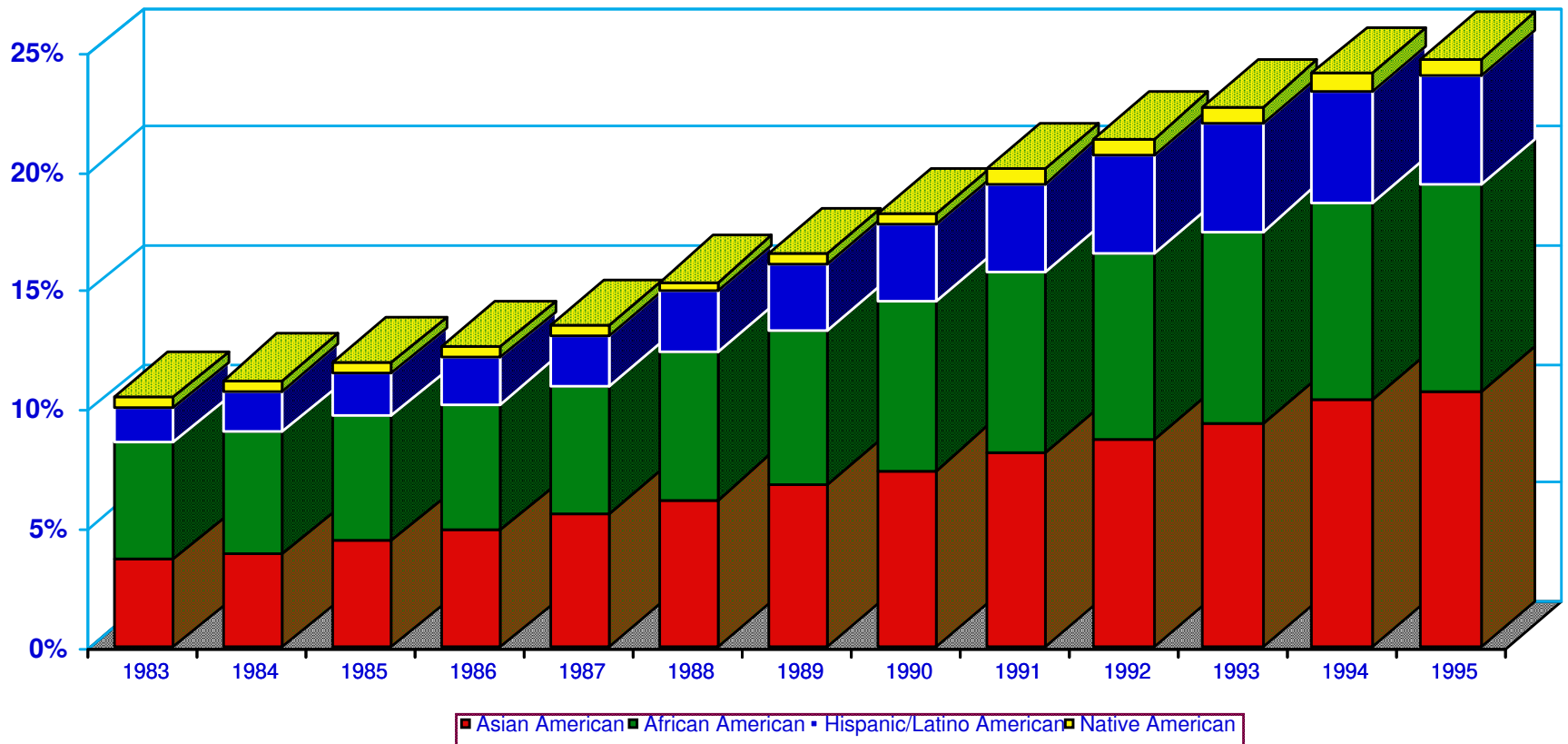


# Representation of Persons of Color

in the Nation, the State of Michigan and the  
University of Michigan, Ann Arbor, Fall 1995

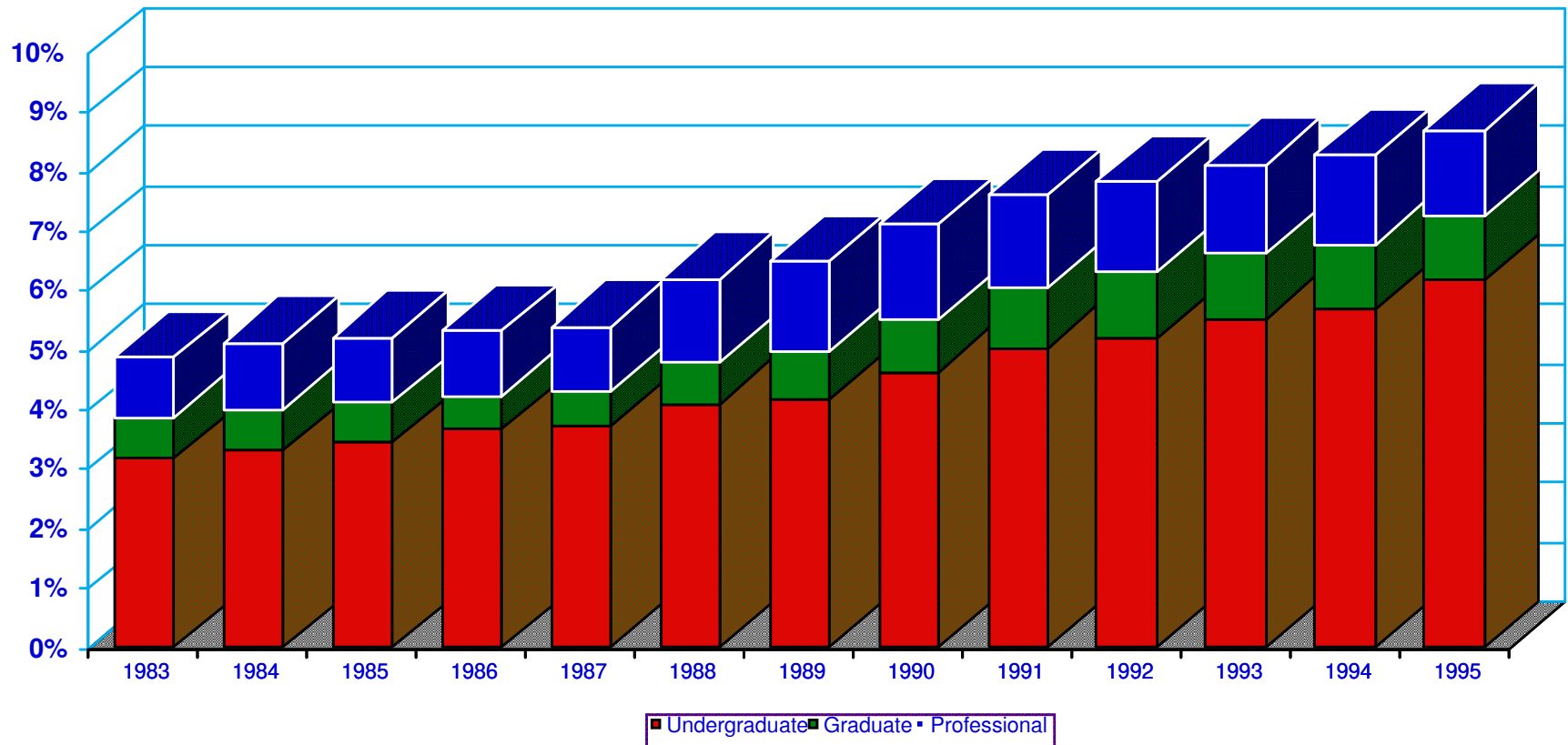
	Persons of Color	Black	Hispanic/ Latino	Native American	Asian
<b>Nation</b>	24.80%	12.10%	9.00%	0.80%	2.90%
<b>State</b>	17.80%	13.9%	2.20%	0.60%	1.10%
<b>University</b>					
<b>Students</b>	24.80%	8.71%	4.58%	0.75%	10.76%
<b>Undergraduates</b>	26.00%	9.10%	4.70%	0.80%	11.40%
<b>Graduates</b>	21.60%	7.30%	8.75%	0.70%	4.80%
<b>Professional</b>	24.37%	9.00%	10.56%	0.61%	4.20%
<b>Faculty (Ten. &amp; Track)</b>	14.42%	4.98%	1.90%	0.26%	7.28%
<b>Academic Administration</b>	20.20%	19.40%	0.80%	0.00%	0.00%
<b>Professional Non-Faculty</b>	14.60%	6.60%	1.70%	0.50%	5.80%

# Minority Student Enrollment Percentages

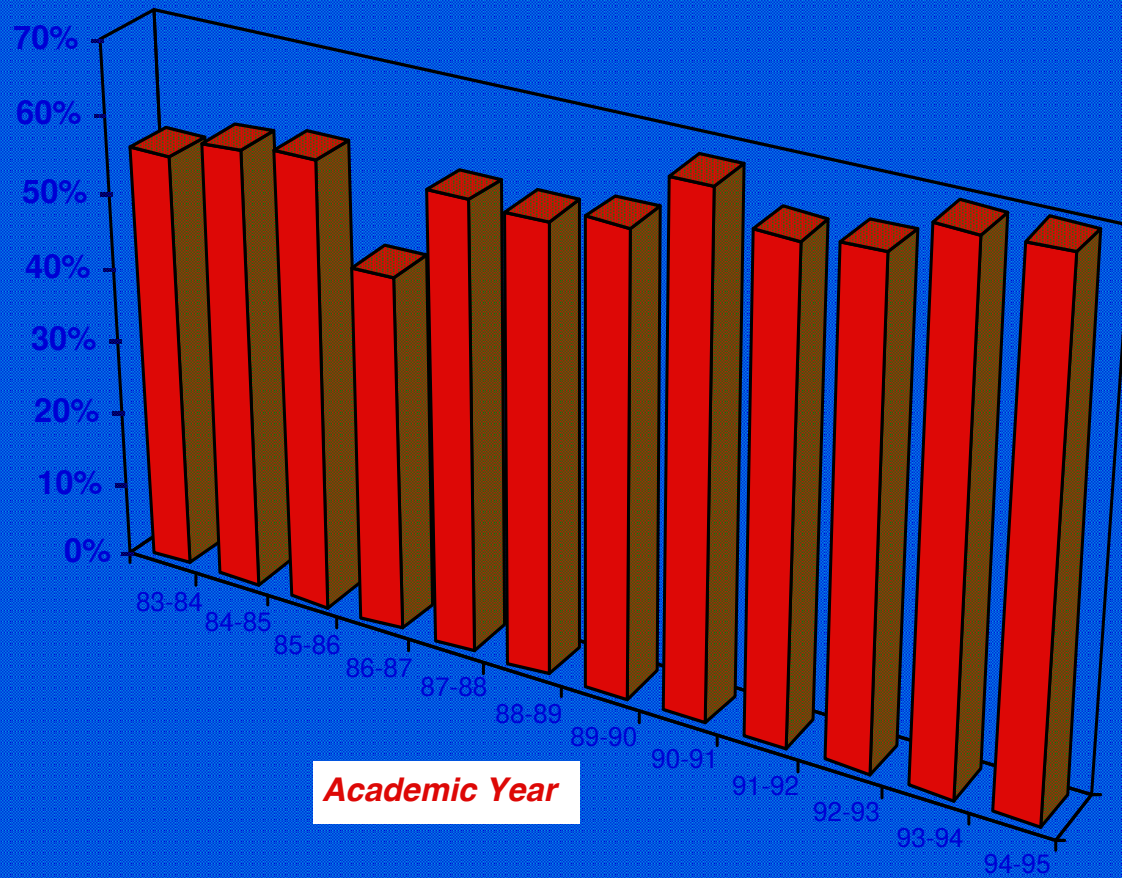


# Enrollment Percentages of African American Students

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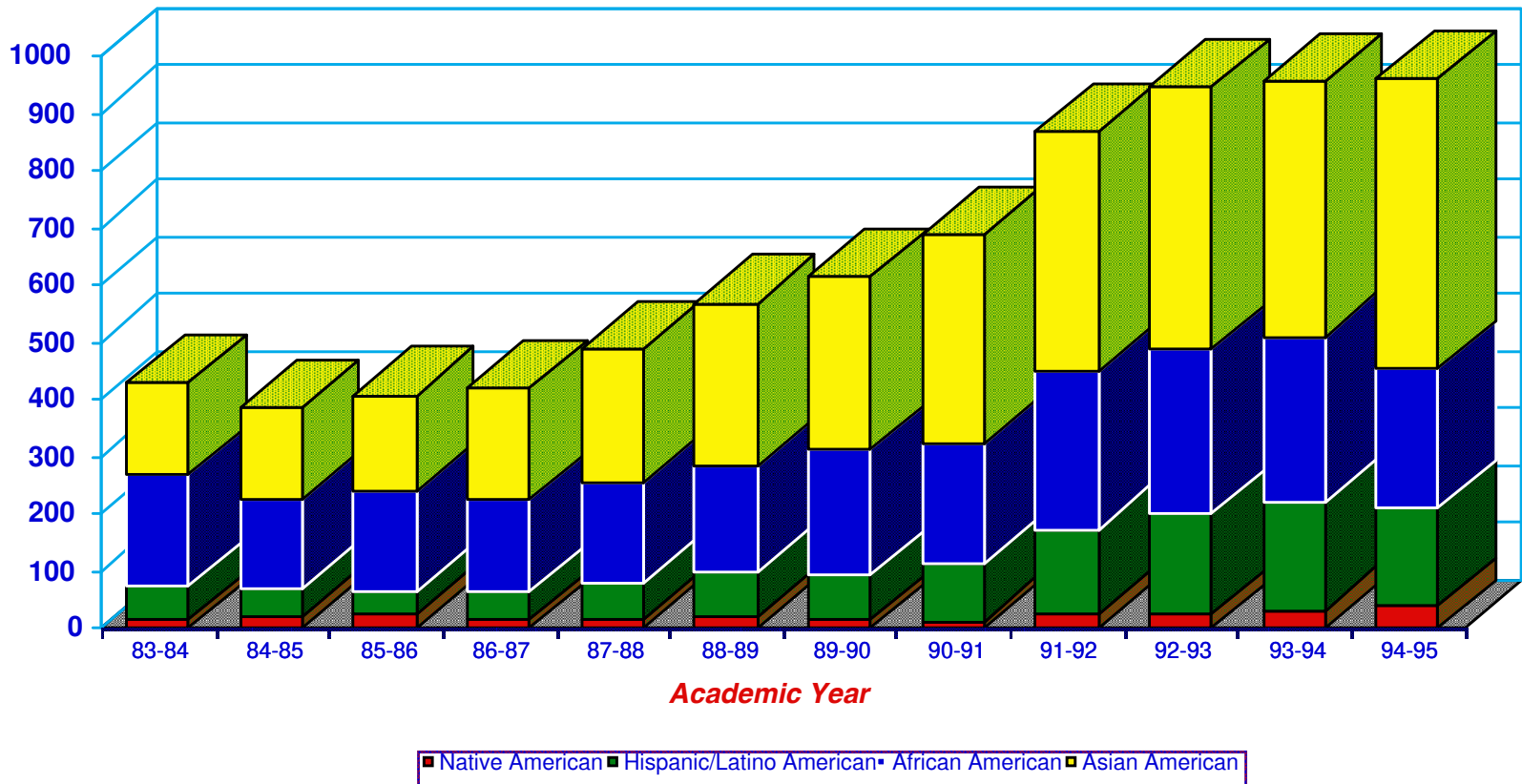


# Graduation Rates of Freshman African American Cohorts Six Years after Initial Entry

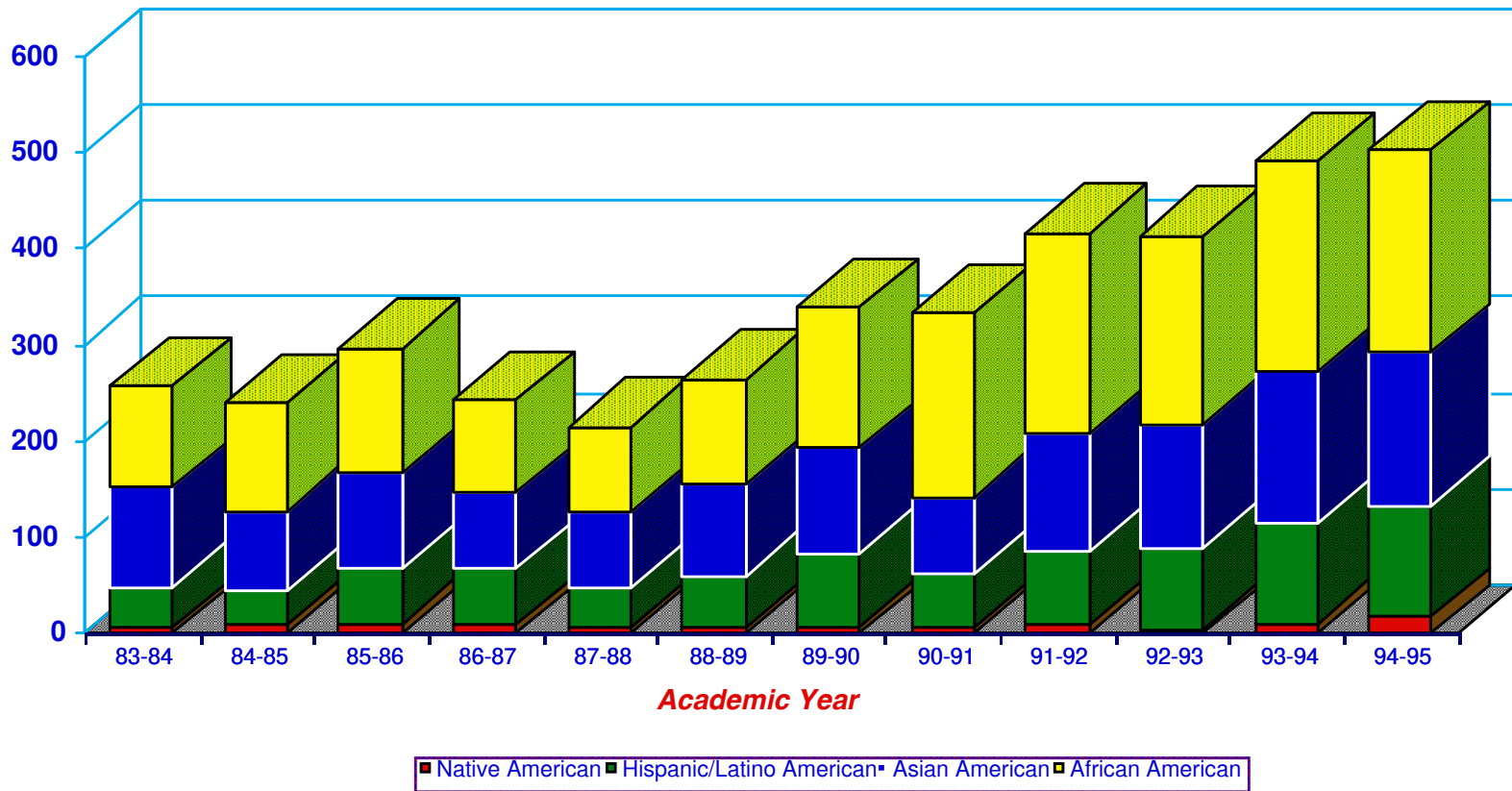




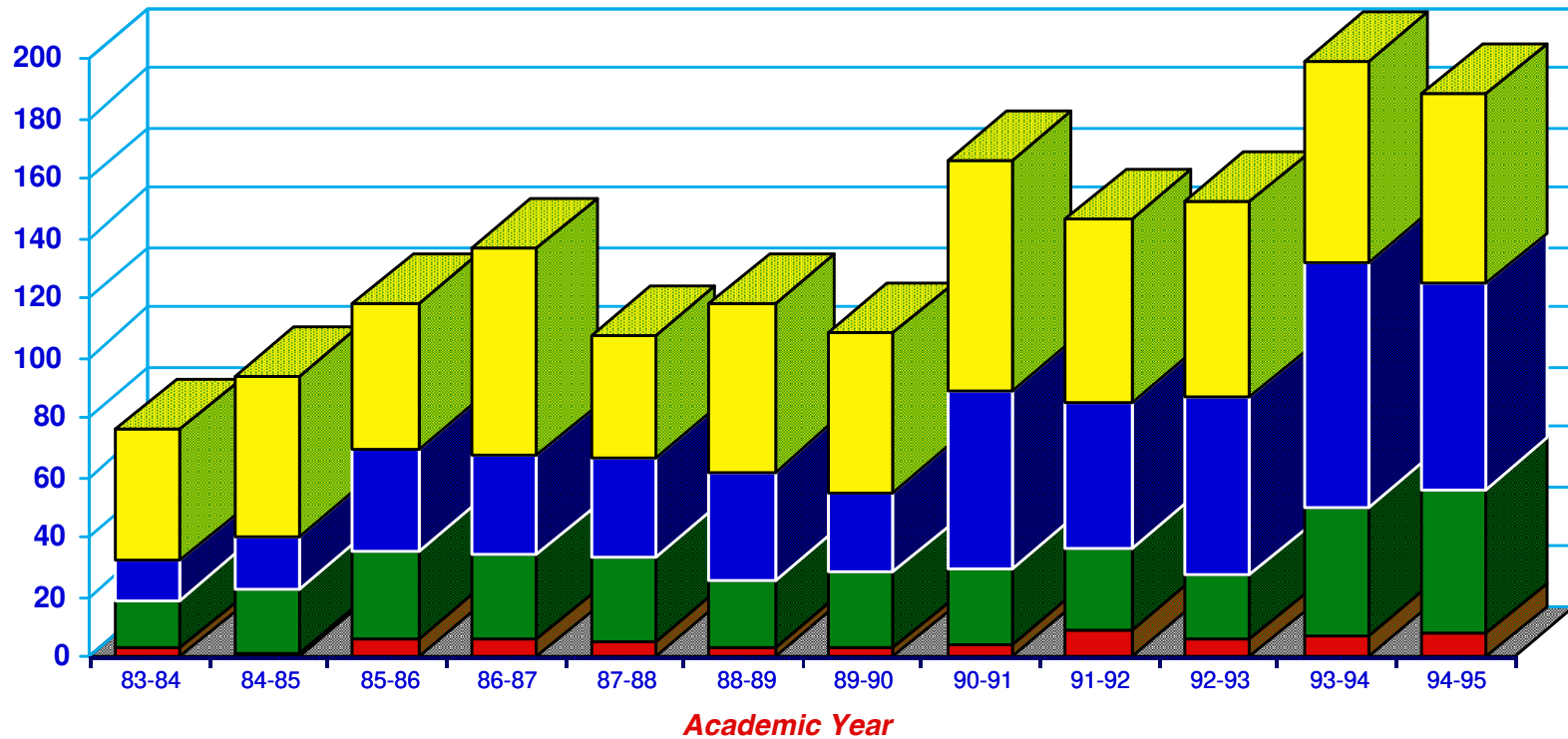
# Minority Undergraduate Degrees Conferred



# Minority Masters and Intermediate Degrees Conferred

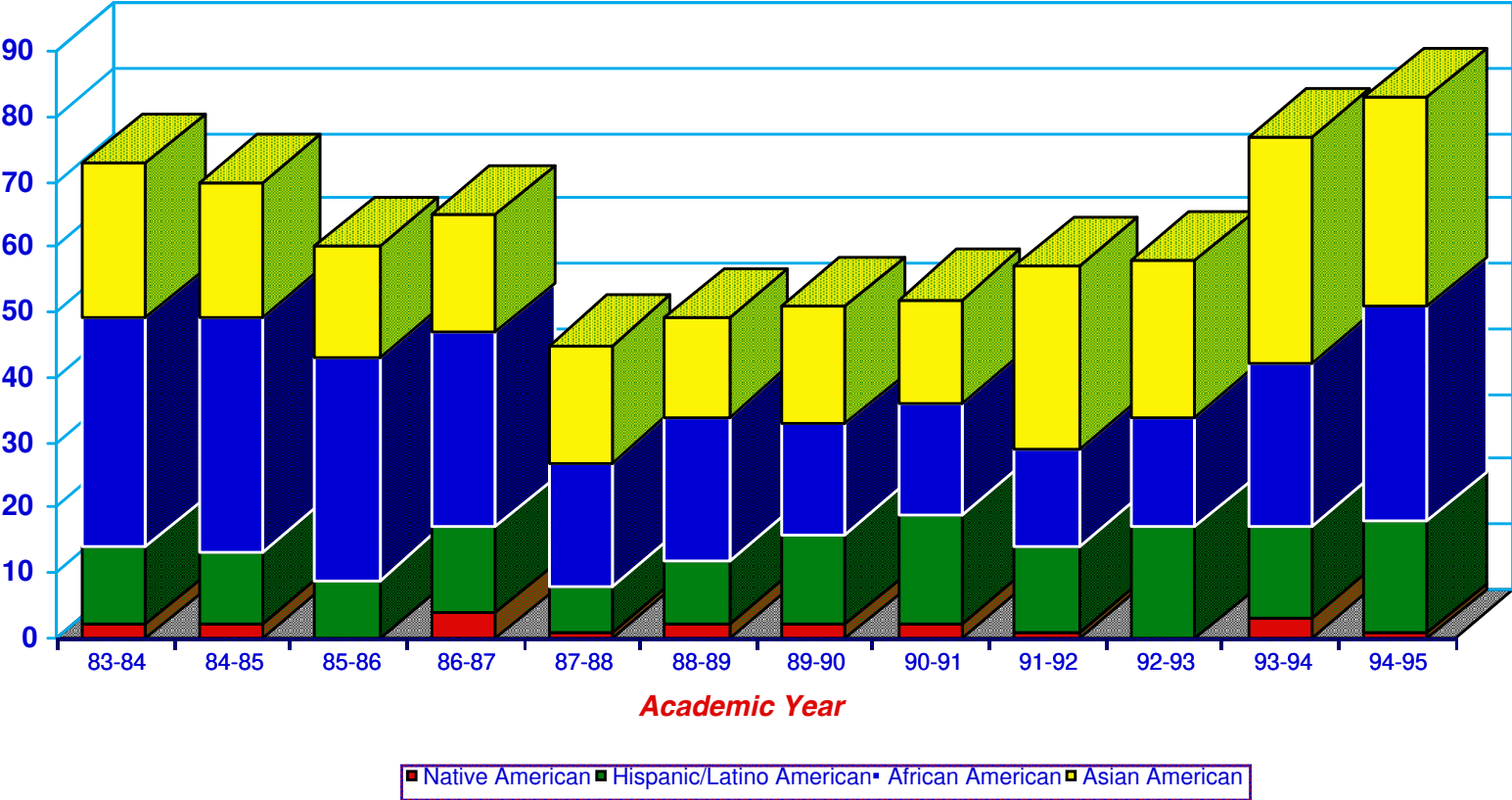


# Minority Professional Degrees Conferred



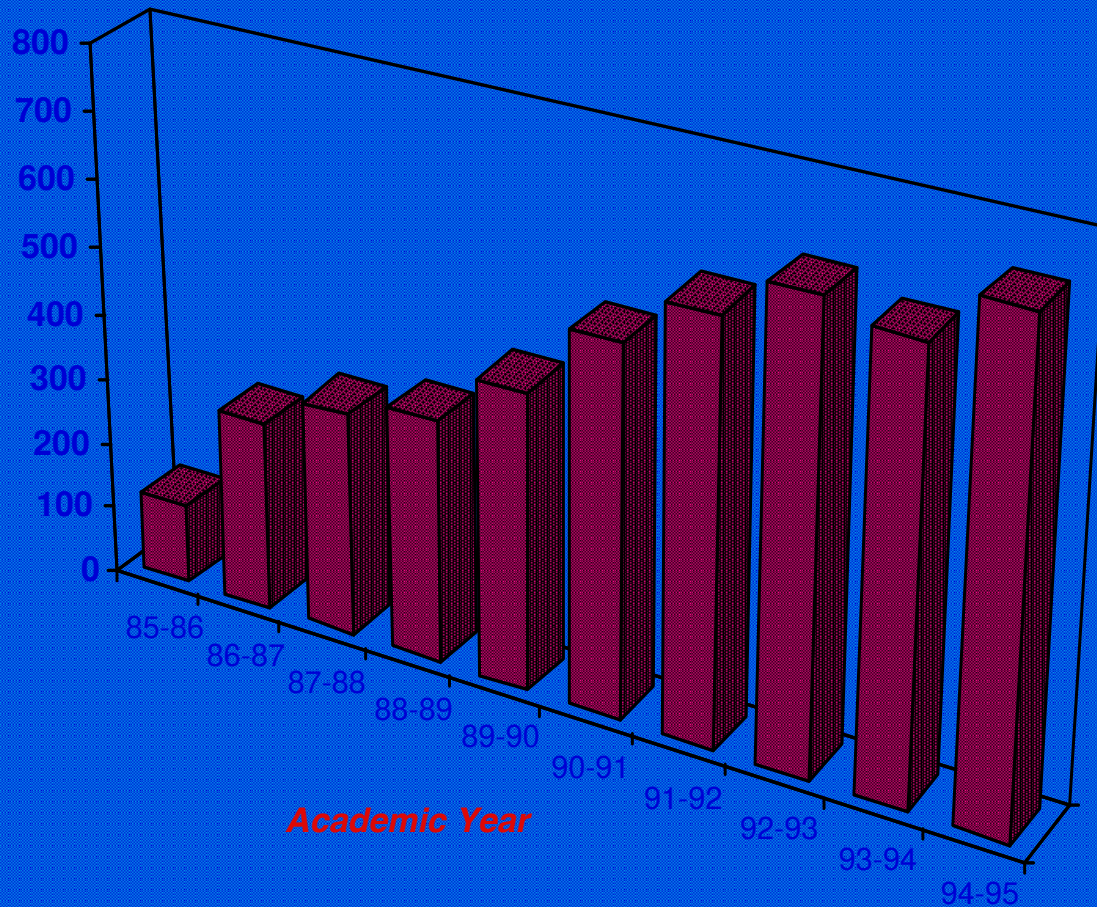
■ Native American ■ Hispanic/Latino American ■ Asian American ■ African American

# Minority Ph.D. Degrees Conferred

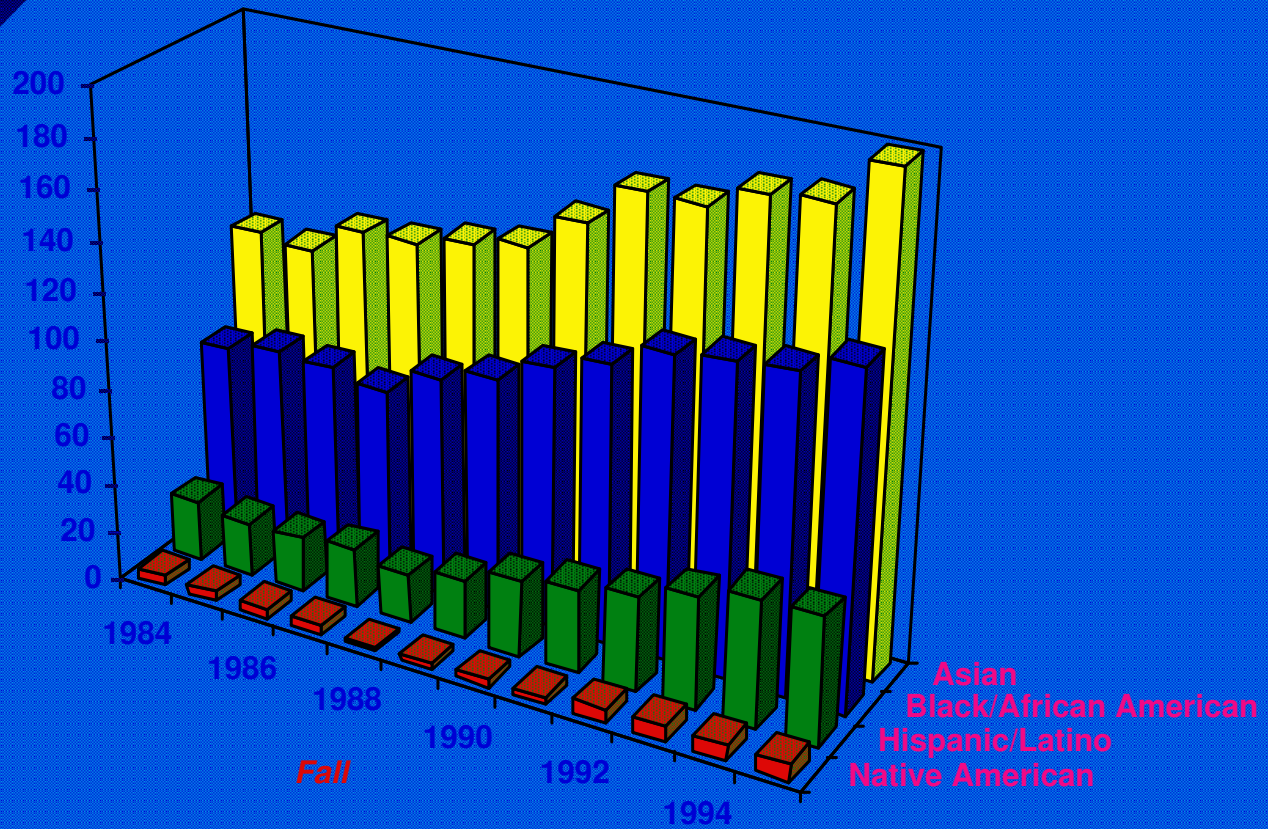


# Number of Rackham Minority Graduate Fellows

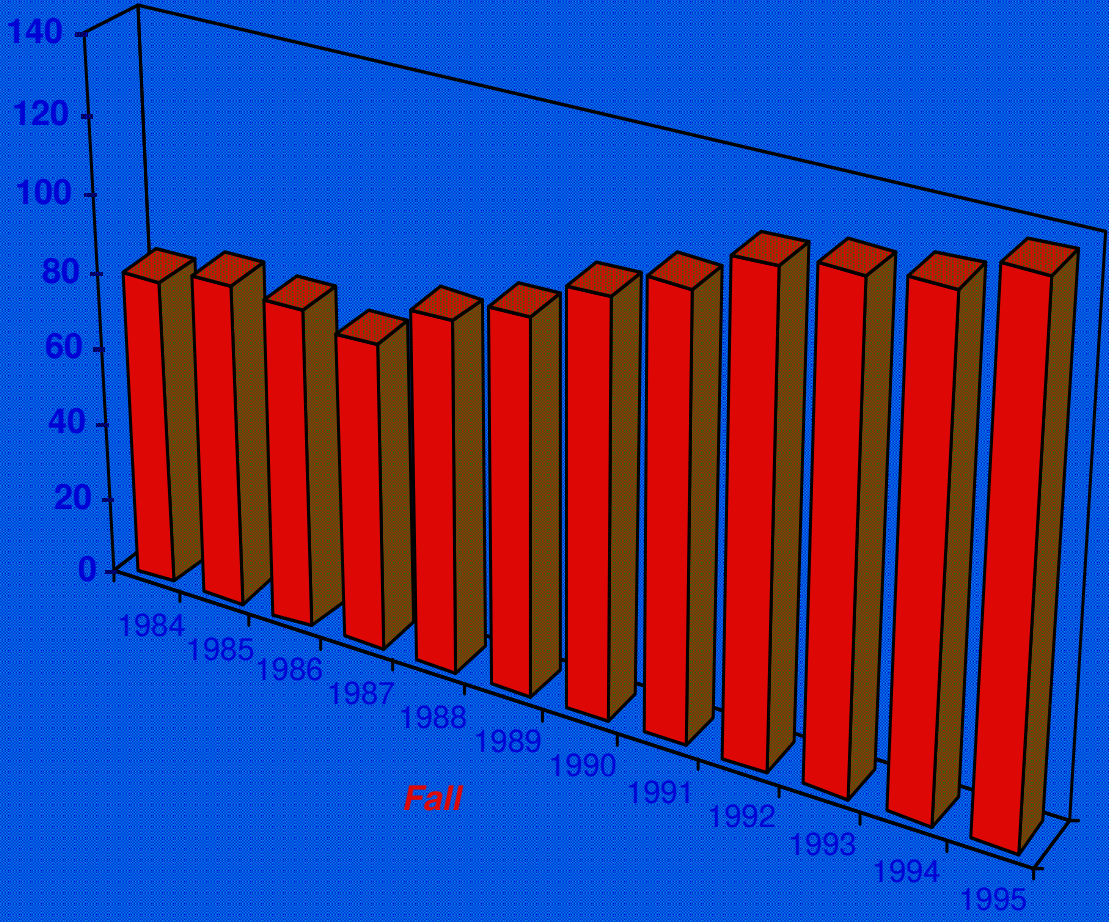
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# Number of Minority Tenured and Tenure-Track Faculty

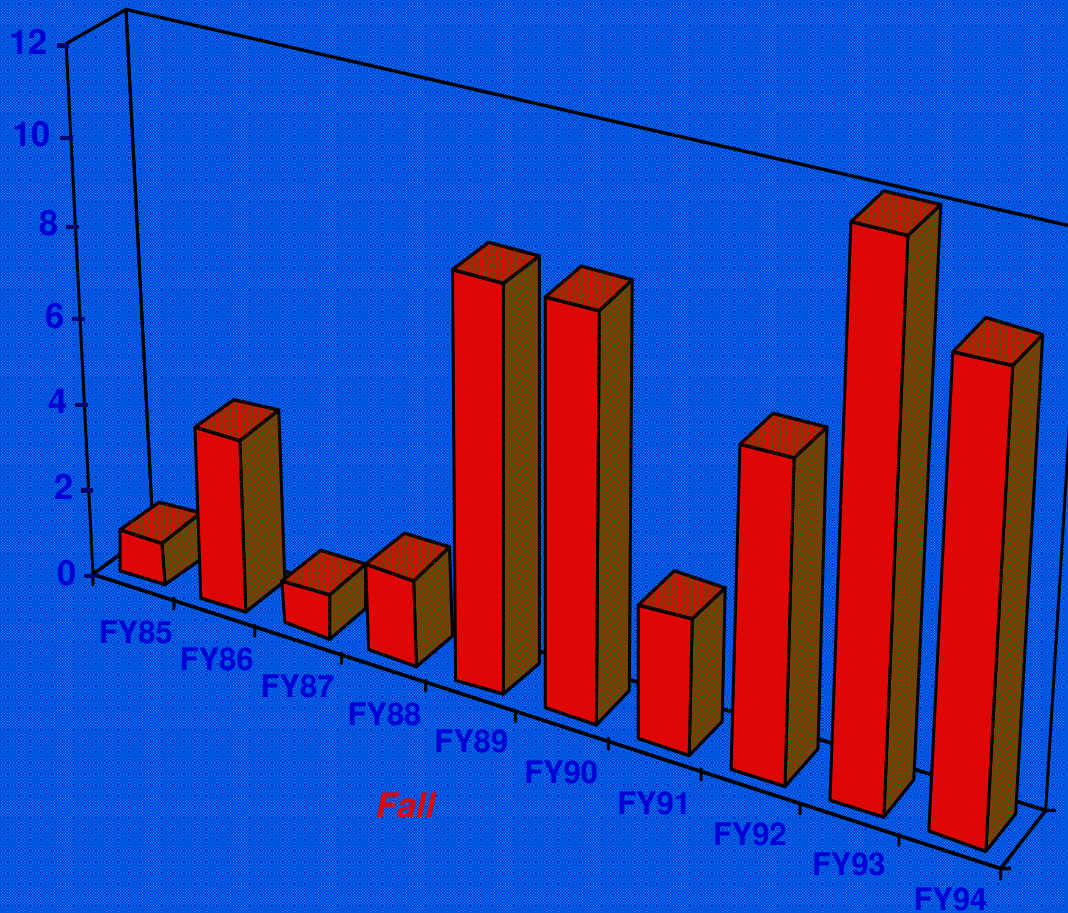


# Number of Black/African-American Faculty



# Number of Minority Senior Hires (Executive Officers, Deans, Directors)

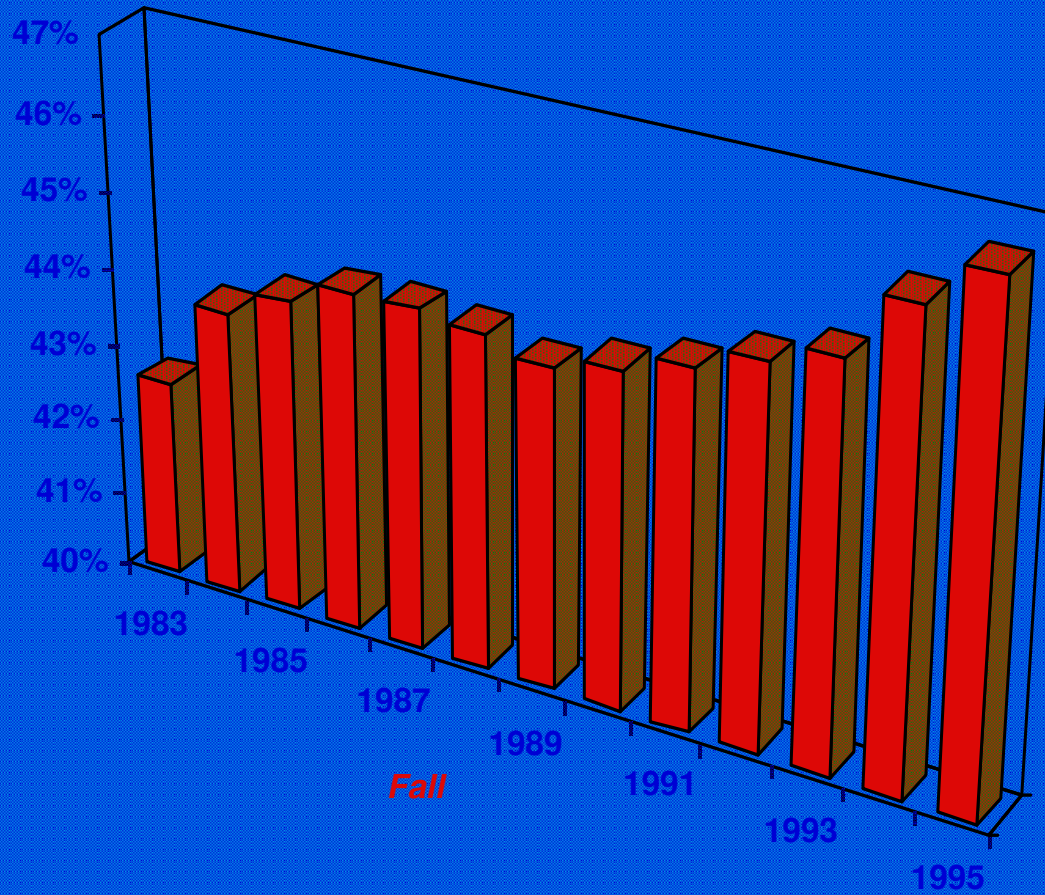
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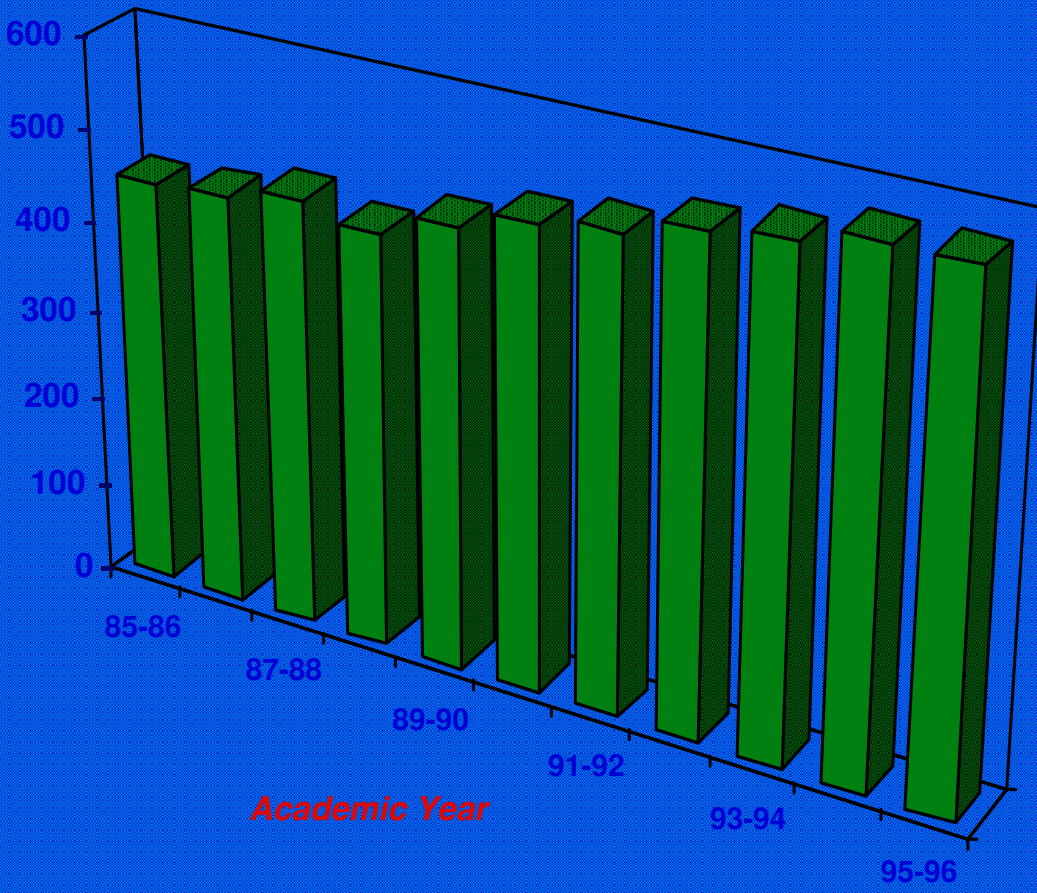
# Percentage of Women Students

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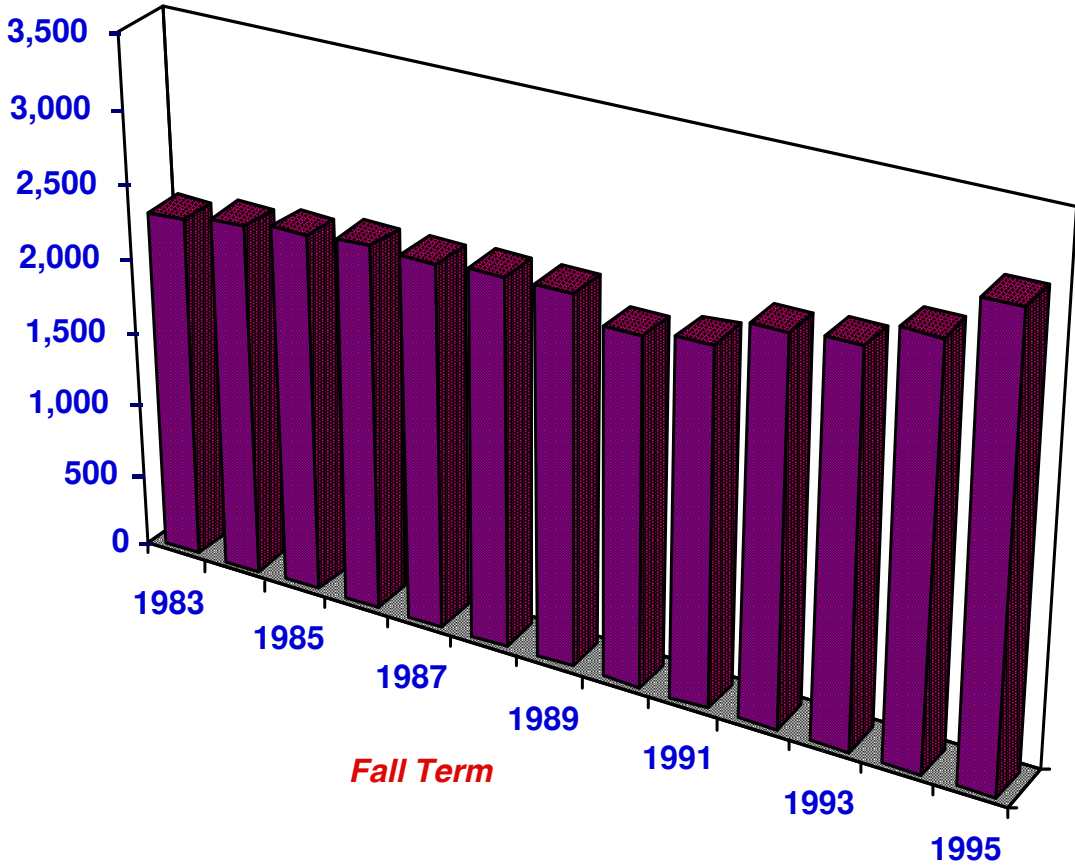


# Number of Women Faculty

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# Number of International Students



# The Next Agenda

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## n **People**

- Recruiting outstanding students
- A recommitment to high quality undergraduate education
- Recruiting paradigm-breaking faculty
- Next generation leadership
- Human resource development

## n **Resources**

- Building private support to levels adequate to replace state support
- New methods for resource allocation and management
- Asset management
- Development of flexible resources (“venture capital”)
- Rebuilding the University
- New market development

# The Next Agenda (continued)

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## n **Culture**

- Stimulating a sense of adventure, risk-taking
- Establishing a sense of pride in,
  - » respect for,
  - » excitement about
  - » and loyalty to the University of Michigan..

## n **Capacity for Change**

- Making the case for change
- Removing barriers to change
- Protecting the autonomy of the University
- Sustaining the University's commitment to diversity
- Aligning faculty/staff incentives with institutional priorities
- Continuing efforts to improve the quality of campus life
- Achieving a commitment to community, tolerance, and respect
- Developing spires of excellence
- Restructuring organization and governance
- High performance workplace strategies

# The Next Agenda (continued)

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## n **Educational Transformation**

- The University College
- The Gateway Campus
- Living/learning environments
- Linkages between professional schools and UG education
- Restructuring the PhD
- Continuing education and “just-in-time” learning

## n **Intellectual Transformation**

- Lowering disciplinary boundaries
- Integrative facilities
- The New University

## n **The Diverse University**

- Articulating the case for diversity
- The Michigan Mandate
- The Michigan Agenda for Women
- The World University

# The Next Agenda (continued)

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- n **The Faculty of the Future**
- n **Serving a Changing Society**
  - Further evolution of the UM Health System
  - Research applied to state and national needs
  - University enterprise zones
  - K-12 education
  - Public service
- n **Preparing for the Future**
  - New generation leadership
  - Campus evolution
  - Academic outreach
  - The Cyberspace University
  - Strategic Alliances

# *The Magic Bullets*

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- n **The New University**
- n **The University College**
- n **The Diverse University**
- n **The Virtual University**
- n **The Creative University**
- n **The World University**
- n **Responsibility Center Management**
- n **Restructuring of the UM “Corporate” Organization**
- n **Next Generation Leadership**
- n **The Superfund and Merit Scholarships**
- n **Research Applied to Societal Needs**
- n **Academic Outreach**



# The Bottom Line...

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Today, in 1996, the University of Michigan is

...better

...stronger

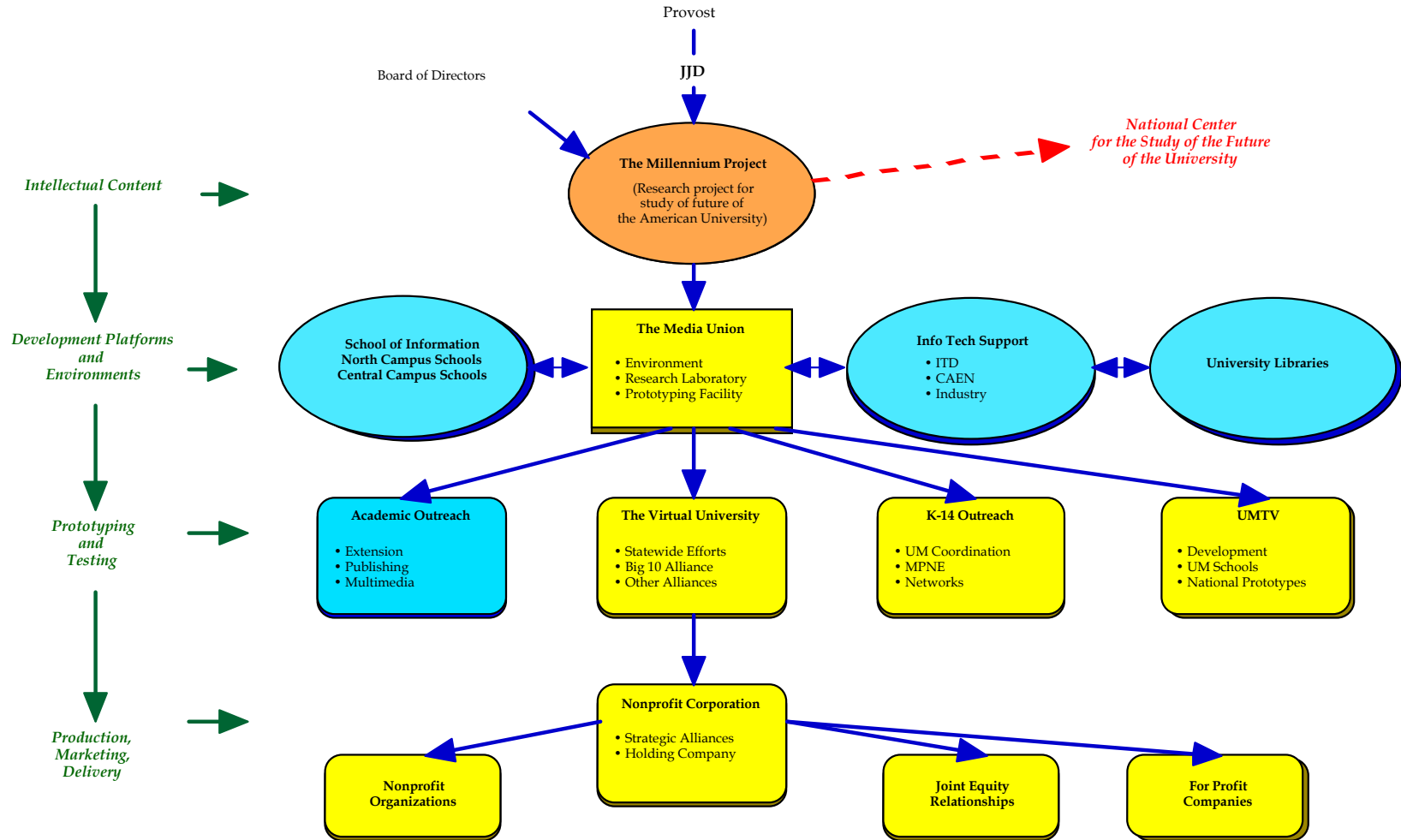
...more diverse

...and more exciting

than ever before.

It ranks as not only the nation's leading public university, but among the several finest universities in the world.

# The Millennium Project



# The University of the 21st Century

