

The Road Ahead

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Office of the President
The University of Michigan

This will be my last address to the Senate Assembly, at least as president of the University. In July I look forward to joining you again on the faculty. As some of you know, fifteen years ago, when I began my descent into “Duderstadt’s Inferno” (the Fleming Building), I had just been elected as a member of SACUA. I still owe you two years!

My talk today will focus on the road ahead, the future. But to understand the road ahead, sometimes it is best to first recall the road one has traveled. So let’s start at the beginning....

Some Historical Context

Each Michigan president seems to have filled a particular leadership role for the University, perhaps less because of how they were selected than the degree to which the institution and its needs have shaped their presidency.

- *Henry P. Tappan*, the visionary, provided strong leadership to establish Michigan as one of the nation’s first research universities. (Tappan was also the first and last UM president to be dismissed by the Board of Regents, demonstrating the hazards of being ahead of one’s time.)
- *Erastus O. Haven*, a quiet stabilizer, who carried out policies of Tappan with quiet competence and diplomacy.
- *James B. Angell*, who built Michigan into a truly national university. The longest serving president (thirty-eight years), he presided over enormous growth and set the course of the University by proclaiming its mission as that of providing “an uncommon education for the common man.” (He also insisted that a water closet be installed in the President’s House and started intercollegiate athletics at Michigan.)
- *Harry B. Hutchins*, a scholarly lawyer, who consolidated progress made during the Angell years.
- *Marion L. Burton*, the builder, who oversaw the largest expansion of physical plant in UM’s history, building much of the Central Campus as we know it today.
- *Clarence C. Little*, innovative, energetic—and controversial—who pushed important initiatives such as the University College. His tenure was short, not for lack of vision, but rather because of his controversial stands on social issues such as prohibition.
- *Alexander G. Ruthven*, a leader during the crisis years, the Great Depression, and World War II. Ruthven created the “corporate” University, with an administrative structure that remains to this day.
- *Harlan Hatcher* led a period of the most dramatic and sustained growth of the University, with the doubling of enrollments and the establishment of new campuses (North Campus, Flint, Dearborn).

- *Robben W. Fleming*, a consensus builder and skillful conciliator, who maintained the University's strength and autonomy during a decade of unrest.
- *Harold T. Shapiro*, who piloted the University through perilous economic times while raising the bar for the quality of our academic programs.

The Duderstadt Years

Which of these earlier presidents most resembled my administration?

There are many in the University who probably regard me as the barbarian from the North, an engineer. (Although, in reality I am a "Yale engineer," which is a bit of an oxymoron . . .)

And to be sure, I was a builder, like Burton, leading a successful \$1.5 billion construction effort to rebuild all of our campuses. While bricks and mortar do not make a great university, most of you will agree that it is difficult to conduct high quality-teaching and scholarship in the dismal facilities that housed many of our programs throughout the past several decades.

Some would view me as a "corporate type," a CEO, who completed Harold Shapiro's effort to financially restructure the University. The success of the \$1.3 billion Campaign for Michigan, increasing endowment from \$300 million to \$1.8 billion, fighting the political battles to build our tuition base to compensate for the loss of state support, providing the environment and incentives to make Michigan the nation's leading research university, reducing costs through efforts such as M-Quality and VCM—all were components of this effort to become a "privately-supported, public university."

To be sure, I was a "driver," with a relentless commitment to maintaining the escalation of academic quality launched during the Shapiro years. Today, the quality and impact of the University, when considered across all of our academic disciplines and professional programs, clearly ranks us among the most distinguished public and private universities in the world. Like Shapiro, my academic roots were with institutions committed to the highest academic standards—Yale and Caltech—and I was determined that Michigan should strive for similar quality.

It was probably not surprising that a scientist as president would develop, articulate, and achieve a strategic vision for the University that would provide it with great financial strength, rebuild its campus, and position it as the leading research university in the nation. But I suspect that many were surprised by a deep commitment to diversifying the University through initiatives such as the Michigan Mandate, the Michigan Agenda for Women, and the revision of Bylaw 14.06 to prevent discrimination based upon sexual orientation. Further, the broad effort to improve undergraduate education and campus life were far beyond what one might have expected from one who had spent his academic career in graduate education and research.

However, if I were allowed to choose a descriptor to characterize my tenure, it would be that of providing leadership during a time of change. In a sense, I aimed at serving as both a prophet and a force for change, recognizing that to serve a rapidly changing world, the University itself would have to change dramatically.

Not an easy task, to be sure, as noted by Machiavelli:

“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.”

I can only add, “Amen!!!”

The Phases of Leadership

Looking back over the past decade, I would identify three phases: consultation, positioning, and transformation.

Phase I: Consultation

Consultation is always key to leadership in an academic institution. Yet many confuse the processes of consultation and decision. In fact, some almost define consultation as indecision!

During the early years of my administration, reaching back to my role as provost, a great deal of time was devoted to consultation. During this phase, we spent much of our time meeting with various constituencies both on and off campus—with students, faculty, and staff, with alumni and friends, with people through the state, the nation, and the world. We listened to their aspirations and concerns, challenging them, and attempting to build a sense of excitement and optimism about the future of the University, in hundreds of meetings both on and off campus. This was a period of listening, learning, and thinking.

We sensed the extraordinary quality and excitement “out in the trenches,” among the faculty, staff, and students of the University. We found individuals deeply committed to quality teaching, scholarship, and service. We began to understand more clearly the very special nature of the University of Michigan, of its extraordinary intellectual breadth and the diversity of its teaching and research.

This process of consultation preceded essentially every decision and initiative that we launched. For example, during the planning period prior to the launch of the Michigan Mandate and the Michigan Agenda for Women, I personally participated in literally hundreds of meetings to listen, learn, and, on occasion, challenge.

Phase II: Positioning

The second phase of our leadership, while not so public, was far more proactive. Together with dozens of groups, comprised of hundreds of faculty, staff, and consultants, a strategic plan was developed to position the University for a leadership role. This plan, *Vision 2000*, had as its objective the positioning of the University as a leading university of the 21st Century, through the quality and leadership of its programs and through the achievements of its students, faculty, and staff.

During this period some of the most important strategic directions of the University were established; e.g., the Michigan Mandate, rebuilding the University, financial restructuring, the Campaign for Michigan, and state and federal relations strategies. Associated with these initiatives was the recruitment and appointment of key leaders at various levels of the University, from executive officers and deans to chairs and directors. A more complete list of the agenda associated with the Vision 2000 strategy is provided in Appendix A.

Largely as a result of these efforts, the University grew rapidly in strength, quality, and diversity during the early 1990s. One by one, the various goals of the Vision 2000 strategy were achieved. Yet, even as we executed the strategy and moved the university ahead, we had growing concerns. To be sure, we could take great pride in what the Michigan family—Regents, faculty, students, staff, alumni, and friends—accomplished during these stressful times. Working together, we positioned Michigan as one of the leading universities in the world. But we have built a university for the 20th Century, and that century is rapidly coming to an end.

The university that we built, the paradigms in which we have so excelled, may no longer be relevant to a rapidly changing world. The America of the 20th Century was a nation characterized by a homogeneous, domestic, industrialized society—an America of the past. Our students will inherit a far different nation—a highly pluralistic, knowledge-intensive, world-nation that will be the America of the 21st Century.

It was during this second phase that we became increasingly convinced that the 1990s would be a period of significant change for higher education. Hence by the early 1990s, we began to shift the University into a third phase, evolving from a positioning effort to a transformation agenda.

Phase III: Transformation

We became increasingly convinced that the University faced a pivotal moment in its history, a fork in the road. Taking one path could, with dedication and commitment, preserve the University as a distinguished—indeed, a great—university, but only one among many such institutions.

However we believed there was another path, a path that would require great vision and courage in addition to dedication and commitment. By taking this second path, the University would seek not only to sustain its quality and distinction, but it would seek to achieve leadership as well.

We believed the University could—and should—accept its heritage of leadership in public higher education by taking that second path. We saw the 1990s and beyond as a time similar to that extraordinary period in the late 19th Century when the University of Michigan was a primary source for much of the innovation and leadership for higher education. In a sense, my colleagues and I believed the University has the opportunity to influence the development of a new paradigm of what the university will be in 21st Century America, a new model capable of responding to the changing needs of both our state and our nation. But this would require clear vision, an unusual commitment to excellence, and strong leadership.

Hence our strategic focus shifted from building a great 20th Century university to transforming Michigan into a 21st Century institution. More specifically, we adopted a new plan, *Vision 2017*, aimed at providing the University with the capacity to transform itself into an institution more capable of serving our state, our nation, and the world during a time of great change.

A series of key initiatives were launched that were intended as seeds for a university of the future. (A list of the various components of the agenda for the *Vision 2017* transformation strategy is provided in Appendix B.) Certainly highly visible efforts such as the Michigan Mandate and financial restructuring were components of this effort. However, beyond these were a series of visionary experiments that were designed to explore new paradigms for higher education including the Media Union, the School of Information, the Institute of Humanities, the Global Change Institute, and the Office of Academic Outreach. Several of these initiatives were highly controversial, such as a new form for decentralized budgeting that transferred to individual units the responsibility both for generating revenues and meeting costs. It was important that I, as president, return to a more visible role. In a series of addresses and publications I challenged the University community, stressing the importance of not only adapting to but relishing the excitement and opportunity of a time of change.

How Far Have We Come?

By the mid-1990s, most of the original goals set during our planning process had largely been met. As a result, the University of Michigan today is better, stronger, more diverse, and more exciting than at any time recent memory. This bold statement is supported by the following vital signs:

- National rankings of the quality of the University's academic programs are the highest since these evaluations began several decades ago. A close examination reveals that the academic reputations of most of our programs increased significantly over the past decade. Further, when rankings across

all academic programs and professional schools are considered, four institutions stand apart: Harvard, Stanford, the University of California, and the University of Michigan.

- Detailed surveys throughout the University indicate that Michigan has been able to hold its own in competing with the best universities throughout the world for top faculty. In support of this effort to attract and retain the best, the University has increased average faculty salaries over the past decade to the point where today they rank #1 among public universities and #5 to #8 among all universities, public and private.
- Through the remarkable efforts of our faculty, the University now ranks as the nation's leading research university, attracting more federal, state, and corporate support for our research efforts than any other university in America (last year exceeding \$440 million).
- Despite the precipitous drop in state support over the past two decades, the University has emerged financially as one of the strongest universities in America. It is the first public and the only university in history to receive an Aa1 credit rating by Wall Street. Our endowment has increased five-fold to over \$1.8 billion. And thanks to the generosity of our alumni and friends, we achieved the \$1 billion goal set for the Campaign for Michigan and now project a total of \$1.3 billion by the end of the Campaign in 1997.
- We are making substantial progress in our efforts to restructure the financial and administrative operations of the University, including award-winning efforts in total quality management, cost containment, and decentralized financial operations.
- A walk around the University reveals the remarkable transformation in our environment as we approach the completion of our massive program to rebuild, renovate, and update all of the buildings on our campuses—a \$1.5 billion effort funded primarily from non-state sources.
- The University Medical Center has undergone a profound transformation, placing it in a clear leadership position in health care, research, and teaching.
- We have launched some exceptional initiatives destined to have great impact on the future of the University and higher education more generally, such as the Institute of Humanities, the Media Union, the Institute of Molecular Medicine, the Davidson Institute for Emerging Economies, and the Tauber Manufacturing Institute.
- And perhaps most important of all, through efforts such as the Michigan Mandate and the Michigan Agenda for Women, we now have the highest representation of people of color and women among our students, faculty, staff, and leadership in our history. Michigan has become known as a

national leader in building the kind of diverse learning community necessary to serve an increasingly diverse society.

As we approach the 21st Century, it becomes clear that the University of Michigan has become not only the leading public university in America, but that it is challenged by only a handful of distinguished private and public universities in the quality, breadth, capacity, and impact of its many programs and activities.

Some Remaining Challenges

But, of course, we cannot rest. The challenges, opportunities, and responsibilities before us demand that we not only sustain but increase the momentum of the University. To this end, let me review some of the more significant challenges:

The Political-economic Crisis

All universities are suffering the consequences of the structural flaws of national and state economies, the growing imbalance between revenues and expenditures, that are undermining support for essential institutions as governments struggle to meet short-term demands at the expense of long-term needs. The new mantra of the day in Washington has become "Balance the budget within seven years." While the particular Tao, the path to deliverance, is still uncertain, whether via the Contract with America or Reinventing Government, the endpoint is clear. Discretionary domestic spending, research and education programs, and federal support of the research university—all are at great risk. Some leaders have even suggested that the very viability of the research university paradigm may be at significant risk during the next several years.

The states are also in serious trouble. Cost shifting from the federal government through unfunded mandates such as Medicare, Medicaid, ADA, and OSHA has destabilized many state budgets. The commitment many states have made to funding K-12 education through ear-marks off-the-top and to massive investments in corrections have undermined their capacity to support higher education. In fact, in many states today, the appropriations for prisons have now surpassed the funding for higher education and shows no signs of slowing. A case in point: a decade ago, when I began my presidency, Michigan had 15 public universities and eight prisons. Today we still have fifteen universities, but thirty five prisons. More to the point, this year our state will spend \$1.4 B for the education of 250,000 students in its public universities and over \$1.4 B for the incarceration of 40,000 inmates—at an annual cost per inmate of \$35,000, somewhat more than the cost of a Harvard education!

Moreover, in recent years both state and federal leaders have taken actions which shift the costs of higher education increasingly from general tax revenues to tuition and fees—from public support to students. In a sense, the public principle—that education is a public good that benefits all of society and hence should be supported by society at large—is shifting to the perspective of

education as a private good that should be paid for by those benefiting most directly—the students.

A Shift in National Priorities: From Guns to Butter...

For almost half a century, the driving force behind many of the major investments in our national infrastructure has been the concern for national security in the era of the Cold War. The evolution of the research university, the national laboratories, the interstate highway system, our telecommunications systems and airports, the space program—all were stimulated by concerns about the arms race and competing with the Communist Bloc. So too, much of the technology that we take for granted, from semiconductors to jet aircraft, from computers to composite materials, all were spin-offs of the defense industry.

Yet in the wake of the extraordinary events of the last five years—the disintegration of the Soviet Union and Eastern Europe, the reunification of Germany, and the major steps toward peace in the Middle East—the driving force of national security has disappeared, and along with it, much of the motivation for major public investment. Far from a "peace dividend" providing new resources in a post-Cold War world for investment in key areas such as education and research, the nation is drifting instead in search of new driving imperatives. While there are numerous societal concerns such as economic competitiveness, national health care, crime, and K-12 education, none of these has yet assumed an urgency sufficient to set new priorities for public investments.

Further, much of the existing intellectual infrastructure developed to underpin national defense is now at risk. The national laboratories are facing massive downsizing and necessarily searching for new missions. The burdens of the massive debts incurred in the buyout-merger mania of the late 1980s have forced corporate America to downsize research and development activities and to shift many of America's leading corporate research laboratories from long-term research to short-term product development.

Equally serious are signs that the nation is no longer willing to invest in research performed by universities, at least at the same level and with a similar willingness to support understanding-driven basic research. The most ominous warning signs for academic research is the erosion, even breakdown, of the extraordinarily productive fifty-year partnership uniting government and universities. Scientists and universities are questioning whether they can depend on the stable and solid relationship they had come to trust and that has paid such enormous dividends in initiative, innovation, and creativity

Politics

Most of America's colleges and universities have more than once suffered the consequences of ill-thought-out efforts by politicians to influence everything from what subjects can be taught to who is fit to teach and who should be

allowed to study. Too often, such interference is a short-sighted effort to exploit public fears and passions of the moment for immediate political gain. The long-term costs to citizens is high because politically motivated intrusions into academic policy lead, in the long run, to educational mediocrity.

Once again, harmful political forces are gathering strength to intervene in university affairs. This time they originate in California, where the Governor and his appointed regents, have ordered the University of California to dismantle its time-tested and effective affirmative action policies by next year. A ballot initiative, eliminating government affirmative action programs entirely, is slated for a vote in November. Inspired by California's example, more than a dozen states are now reported by the *Washington Post* to be considering similar legislative initiatives to end affirmative action in admissions, hiring, and financial aid decisions.

This intensifying political pressure on our nation's great public universities is a threat to their unique historic role of providing a world-class educational opportunity to all students who have the will and ability to succeed. And, if politics today influence university admissions policies, what will be targeted next? Curriculum? Faculty hiring? Research?

Further, the special interest politics characterizing our times sometimes focus on higher education. In the past, these institutions, so critical to our future, were buffered from such attack politics both by their governing boards and the media. Today, however, these groups now serve to focus and magnify political attacks on our campuses rather than shielding us from them...

Sunshine Laws

Public universities face one particular political challenge spared private institutions: sunshine laws. Most states have passed laws requiring that the meetings of public bodies, such as governing boards, be open to the press and members of the public. Further, many also have freedom of information laws that require public disclosure of any documents or data not protected by personal privacy laws. The media are using these laws not simply to pry into the operations of public institutions, but to actually manipulate and control them.

Populism

Higher education is also no stranger to the forces of populism that rise from time to time to challenge many other aspects of our society—a widespread distrust of expertise, excellence, and privilege. Indeed, many universities, faculty, and university administrators have made themselves easy targets by their arrogance and elitism. But, today we see a particularly virulent form of populism, almost a post-modern, deconstructionist variety, that aims at not simply challenging but actually destroying our social institutions and commitments. This slash and

burn approach offers little in the way of alternatives. It also has a decidedly anti-intellectual character.

Back to the Future

The continuing decline in public support of research universities in the years ahead will inevitably cause a variety of responses on the part of both public and private research universities. Many university faculty will shift from the public to the private sector for support to accommodate the erosion in federal support. Beyond seeking corporate support for R&D, they will seek to market educational services more aggressively and put in place more realistic price structures (*e.g.*, tuition and fees) that accurately reflect costs.

There are more profound shifts that will likely occur in the character of institutions. Clearly, to thrive in the more competitive marketplaces of the 21st Century, universities must shift from the “faculty centered” cultures of research universities to the “student-centered” enterprises of land-grant institutions, that is, in the language of the business world, from “provider-centered” to “market driven”.

There is an even more profound yet subtle change that I believe may occur. There could be a shift in public attitudes toward universities that will place less stress on values such as “excellence” and “elitism” and more emphasis on the provision of cost-competitive, high-quality services—from “prestige—driven” to “market-driven” philosophies.

Let me elaborate a bit on this third issue. For the past half-century, the paradigm characterizing the government-university research partnership has been one built upon the concept of relatively unconstrained patronage; the government would provide faculty with the resources to do the research they felt was important in the hopes that, at some future point, this research would benefit society. Since the quality of the faculty, the programs, and the institution was felt to be the best determinant of long-term impact, academic excellence and prestige were valued.

Yet, today, society seems reluctant to make such long-term investments. Rather, it seems interested in seeking short-term services from universities— of high quality, to be sure—but with cost as a consideration. In a sense, it seeks low-cost, quality services rather than prestige. The public is asking increasingly, “If a Ford will do, then why buy a Cadillac?”

Perhaps, rather than moving ahead to a new paradigm, we are in reality returning to the paradigm that dominated the early half of the 20th Century...the “land-grant university” model. In fact, perhaps what is needed is to create a contemporary land-grant university paradigm.

The Leadership of the University

Let me now turn to the topic of leadership succession. Since the Senate Assembly will—or at least, should—play a key role in the search for the next president of the University, let me be so bold as to suggest a few of the qualifications you should be seeking.

First, there are several both obvious and measurable qualifications dictated by the nature of our University:

1. Academic credibility, with strong credentials as a teacher and a scholar (since otherwise a faculty of our quality won't take the president very seriously—and neither will our peers!)
2. Strong, proven management skills, since with a \$3 billion budget and another \$3 billion under active management, the University of Michigan is one of the most complex institutions in higher education. This management strength will be particularly critical during a time when there will be unusually large turnover in the executive and administrative positions in the University.
3. Strong, proven leadership skills
4. Other desirable experience would include some familiarity with state and federal relations, private fund-raising, and—strange as it may sound—the complex world of intercollegiate athletics.

There are also a number of obvious and important, but difficult to measure, characteristics one would seek in a president: integrity, courage, fair-mindedness, compassion, an understanding of the academic culture, and vision.

Finally, let me suggest a set of qualifications I believe critical at this point in the University's history:

1. A strong commitment to excellence—the ability to recognize excellence when it is present, and to admit it when it is absent!
2. A driving passion to achieve diversity and to achieve and protect equity for all members of the University community.
3. An impeccable “taste” in the choice of people; the ability to identify, attract, and lead outstanding people, to attract the most outstanding talent into top leadership positions in the University.
4. Physical stamina, energy, and a thick skin.
5. A strong leader: An individual capable of identifying and articulating an exciting, challenging, and compelling mission for the University and capable of uniting the University community—and those who depend upon us—in a

common effort to pursue this mission. The University of Michigan is far too complex an institution to tolerate a passive presidency.

The Future

As we approach a new century, we can take great pride in the accomplishments of our universities. Working together, Americans have built the finest system of higher education in the world. But we have built universities for the 20th Century, and that century is rapidly coming to an end. The universities that we have built, the paradigms in which we have so excelled, may no longer be relevant to a rapidly changing world.

As our society changes, so too will societal institutions such as the university change. But change has always characterized the university, even as it sought to preserve and propagate the intellectual achievements of our civilization. Although the university has endured as an important social institution for a millennium, it has changed in profound ways to serve a changing world. Higher education in America has likewise been characterized by change, embracing the concept of a secular liberal education, then weaving scholarship into its educational mission and broadening its activities to provide public service and research to respond to societal needs.

There should be little doubt that higher education will flourish in the decades ahead. In a knowledge-intensive society, the need for advanced education will become ever more pressing, both for individuals and society more broadly. Yet, it is also likely that the university as we know it today—rather the current constellation of diverse institutions comprising the higher education enterprise—will change in profound ways to serve a changing world.

As we look to the profound changes ahead of us, it is important to keep in mind that throughout their history, universities have evolved as integral parts of their societies to meet the challenges of their changing environments. They continue to evolve today. This disposition to change is a basic characteristic and strength of university life, the result of our constant generation of new knowledge through scholarship that in turn changes the education we provide and influences the societies that surround us. At the same time, this propensity of universities to change is balanced by vital continuities, especially those arising from our fundamental scholarly commitments and values and from our roots in a democratic society. While the emphasis, structure, or organization of university activity may change over time to respond to new challenges, it is these scholarly principles, values, and traditions that animate the academic enterprise and give it continuity and meaning. Thus, an integral part of the life of the university has always been to continuously evaluate the world around us, in order to adjust our teaching, research, and service missions to serve the changing needs of our constituents while preserving basic values and commitments. Today we must once again try to anticipate the future direction of our society in order to prepare students for the world they will inherit.

Not only will change be the challenge to the American university, it will be the watchword for the years ahead. And with change will come unprecedented opportunities for those universities with the talent and will to respond.

We must work hard to develop a community where uncertainty is an exhilarating opportunity for learning. The future belongs to those who face it squarely, to those who have the courage to transform themselves to serve a new society.

The future is not yet written, but we shouldn't wish it any other way. The excitement that comes with uncertainty and discovery draws us inexorably into tomorrow.

A Final Word

It was almost thirty years ago when my wife, Anne, and I put our furniture and our VW on the moving van in Pasadena, California, packed up our kids—who had never seen snow, much less Michigan—and moved to Ann Arbor, arriving in a blizzard! It has seemed like every five years, just like clockwork, we get another call from California, inviting us to return. But, we long ago realized that we are now Michiganders. We have spent all of our careers, and most of our lives, working on behalf of your university, the University of Michigan, and we are maize and blue to the level of our DNA.

We want to thank all of you both for your support and for the privilege of serving the University in these leadership roles. It has been a wonderful and exhilarating experience, primarily because of the extraordinary people who learn in, work for, sacrifice for, and love Michigan.

Thanks to the faculty.

Thanks to the staff.

Thanks to the leadership team.

Thanks to the Regents.

Thanks to our friends and alumni . . .

A particular thanks to the first lady of the University. Only those who serve in a major university presidency understand the absolutely critical role played by the president's spouse. Indeed, such presidencies are team roles. They could never be done—or at least done well—by a president alone, at least in a major university.

Most president's spouses, and certainly Anne Duderstadt, work just as hard as do presidents, and they have extraordinary impact on their institutions. The only difference is that they rarely receive the recognition, the respect, the

understanding, and the support that their critical role would merit in other circumstances.

Anne's role has been both varied and important. Her formal activities in advancing the interests of the University, in fund raising, politics, entertaining VIPs, and managing major facilities and staff were essential. But so too were an array of informal roles such as setting the standards for excellence in portraying the University to the outside world, in reconnecting the University with its extraordinary tradition and past through efforts such as the History and Traditions Committee; the restoration of historical facilities such as the Detroit Observatory, Inglis House, and the President's House; and a series of publications on the University. She was also an important force behind key community themes such as the Michigan Mandate, the Michigan Agenda for Women, and Women's Athletics.

In fact, she was the best appointment I made during my administration!

We look forward to rejoining the faculty community this year, to serving the University in new ways. And we look forward to many more years of working with the marvelous people who make up the Michigan family.

Thanks again for the opportunity to serve.

And Go Blue!!!

Appendix A

Vision 2000

The Agenda for the Past Decade

- Academic Programs
 - Improving quality of all programs
 - Restoring support for LS&A
 - Strengthening the basic sciences
 - Strengthening the health sciences
 - Achieving competitive faculty salaries
- 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.)
- 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
- Diversity
 - The Michigan Mandate
 - The Michigan Agenda for Women
 - Bylaw 14.06
 - Economic Diversity
 - World University themes
- Campus Life
 - Campus safety initiatives
 - Student Rights and Responsibilities Code
 - Task Forces on Substance Abuse, Violence Against Women

- Student living/learning environment
- Intercollegiate Athletics

- Financial Strength
 - Cost containment measures
 - Asset management strategies
 - Development of alternative sources of revenue
 - Achievement of Aa1 Wall Street credit rating
- Private Support
 - Private Giving: \$60 M/y → \$150 M/y
 - Endowment: \$280 M → \$1.7 B
 - Campaign for Michigan: > \$1 B
- 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
- 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
- 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)
- Strengthening the bonds with external constituencies
 - State relations restructuring
 - Federal relations restructuring

- Public and media relations
- Community relations

- Transformation of the UM Medical Center
 - Completion of RHP effort
 - UMH Transformation Plan
 - M-Care
 - Michigan Health System
 - Alliances with other health care providers
- Intercollegiate Athletics
 - Alignment with academic priorities
 - Policy development
 - Women’s athletics
 - Restoring financial stability
 - Rebuilding athletics facilities
 - Big Ten Conference/NCAA leadership
- 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

Appendix B
Vision 2017
The Current Agenda

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

■ Educational Transformation

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

■ Intellectual Transformation

- Lowering disciplinary boundaries
- Integrative facilities
- The New University

■ The Diverse University

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

■ The Faculty of the Future

■ 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

■ Preparing for the Future

- New generation leadership
- Campus evolution
- Academic outreach
- The Cyberspace University
- Strategic Alliances

GO BLUE

Comment: