

UNC Chapel Hill Discussion

Introduction

Long standing relationships...
 UNC-CH, UM, UVa, UC are flagships

Also flow of people: Beyond your Chancellor
 (doctorate from Michigan)

UM-UNC

Jim Renick, UNC-A&T
 Peggy Renic, UNC-Wilmington
 Maureen Hartford, Meredith
 Nino Masnari, Dean (NCSU)
 Paul Turinsky, Chair (NCSU)

UNC-UM

Bernie Machen (now Pres Utah)
 Maureen Hartford (VP-SA)
 Farris Womack (VP-CFO)
 John Swofford (almost in 1993)

General Topics:

A Few Themes of Change:

Current budget crunch
 Changing higher education needs of society
 Diversity
 Technology
 Nature of Research
 Markets

Some Lessons Learned:

Values
 Commitment to Excellence...Diversely
 Alliances
 Experimentation
 Turning Threats into Opportunity

Specific Topics:

1. Facing reality:

The changing economy of your state and the political realities of being a part of a university system (too many greedy hogs at the trough) simply will not allow the level of support necessary to sustain you as a world class research university!

Suspicion: your destiny is the same as Michigan's

The evolution of the state of Michigan may reveal UNC-CH's future

The evolution of the economy of the state away from dominant manufacturing (automobiles) to outsourcing
 Now a global industry (with Chrysler...and perhaps within the decade Ford and GM becoming foreign-owned companies)

The growth of other higher ed institutions that eroded UM's traditional public funding base

The experience we had during the 1980s in coming to grips with our mortality
 "smaller but better"

to
 "innovation by substitution" and TQM

UM realized in 1970s that state simply did not have the capacity or will to support us as a world-class university

We made a conscious decision that we would not allow the state to control our quality (or our destiny)

Hence we started down the long road to becoming a privately supported public university.

HTS strategy: Don't give up entirely on the state appropriation. But don't depend on it either. Realize that you may have to take actions from time to time which put the state appropriation at risk.

Note North Carolina is moving down this same path
 Tobacco is an export crop (eroding rapidly)
 Outsourcing could affect high tech industry
 Evolution of UNC system that draws resources away from UNC-CH and NCSU.

Conclusion: You should not allow the state to determine your quality. Rather you should use your reputation and current capacity to enhance your quality REGARDLESS of the state environment.

2. Tuition Wars

Clearly tuition strategies will be key.

At UM:

State appropriation: \$320 M

Tuition and fees: \$670 M

Philosophy

Instate UG LS&A controlled politically (\$7,000)

Nonresident set at private marketplace (\$25,000)

Grad/prof set at market (and highly differentiated)

(NOTE: Nonres/grad/prof contribute two-thirds of revenue)

UNC-CH particular challenge

A long standing public perception that UNC education should be "free" (from the days of Mr. Friday)

So how do you do it?

Shift from low price to broad access as objective!

Internally funded student financial aid is key

3. The Albatross of the UNC System

Dangers of a system
 Dangers of long-standing (but obsolete) cultures
 (a "free" education)

A Declaration of Independence?

Some other models:

California Master Plan

U Wisconsin-Madison

(State was persuaded it could only support one
 public research university, and this at 25%)

Articulation agreements

Lock in the Triangle Culture

(Each of you is incomplete university...yet you have to compete
 with comprehensive institutions...UM, UC, Wis, ...)

Look at forming a true triangle relationship

Duke, UNC, NCSU...locking together (and using this
 to separate from the system)

Fight for more autonomy for research campuses

System administrators usually tend not to select strong
 Chancellors. (Bill Friday started this.)

System administrators have become a class unto themselves,
 note SHEEOs

Become a privately financed, publicly committed university?

4. Some ideas about planning and transformation (learned from the school of hard knocks)

Vision 2000: Strategic Objectives

Vision 2017: Strategic Intent

Some lessons learned:

Values, Alliances, Experimentation, Threats and Opportunities