



# The Evolving American University

Samuel H. Smith | President Emeritus, Washington State University

American's colleges and universities are evolving to assume an increasingly important role in the 21st century. The changes are most clearly noted if one examines the students, institutional organization, business model and institutional constituencies.

As I have spent the last 45 years associated with public, doctorate granting, research universities, I will use them to illustrate these changes.

In my opinion, the very success of the American system of higher education provided the driving force for the changes we are now observing. I am one of those fortunate individuals that have lived on a daily basis amongst thousands of students. At Washington State University alone, as its President for 15 years, I signed the diplomas or certificates for over 65,000 graduates. This is over 1/3 of all the graduates in the 111th year history of that institution.

Thus, I have had the pleasure of knowing a significant number of individuals first as students and then remaining in touch with many of them as they moved through their lives and careers. I have observed three consistent trends and one still emerging trend in students attitudes that I feel are creating dramatic changes in how we in universities do our business.

The first trend is of course, the use of information technology. Our current, traditional students and graduates of the last decade have never known a world without information technology, computers and the internet. Most have never seen a slide rule, a rotary dial telephone, a 78 RPM record or a manual typewriter. They assume open, instant access to information, events and each other.

The second trend is what I have heard termed as "Narrowcasting" as in contrast to "Broadcasting". Students and young adults, and in this I include some individuals up into



their 50's, do not want information broadcast to them in a one size fits all, assembly line manner. They are already inundated with immense amounts of available information. As any good teacher knows, they want this information digested specifically for them in a manner relevant to their needs and to the other events going on in their lives.

There is also a sub-theme perhaps developing out of the area of "narrowcasting" that I wish to mention. This rapidly growing sub-theme has the potential to grow in momentum and involves not only the digesting of information specifically for the individual but to present it in a manner that matches their "learning fingerprint". As the popular press has not yet developed the "learning fingerprint" concept, it refers to the fact that each of us acquires and retains information or concepts in a manner unique to ourselves. Using retention or memory as an example, to facilitate memory some

individuals make lists, some must be reminded and some learn only by consequences of forgetting. Each individual acquires and retains information in a manner unique to them. Students want information and concepts presented to them in a manner that matches their specific "fingerprint".

Also, along these same lines, please carefully note the emergence of competency-based degrees or certificates. Competency based degrees are not popular with many traditional academics. These, I remind you are degrees or certifications granted after the completion of an examination and are not based on numbers of credit hours or completing a sequence of courses. There is usually a pre-test to give credit for what has already been learned and then a course designed in a flexible manner to specially meet the needs of the individual student. In some states there are more individuals in the corporate, high technology

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certificate programs which are competency based than enrolled in some major public universities. Much of the debate on accountability reflects the distain that traditional academics have for competency based educational programs. Ironically, our awarding of graduate degrees is very much competency based with the securing of the degree based upon passing an examination and the approval of a thesis.

The third and final trend that I will comment on is the student becoming a "paying customer". Let me be very direct, I know that universities do not like to think of themselves as businesses and are often offended when compared to a business or a corporation. But realistically, many of our universities are indeed big businesses with billion dollar budgets, tens of thousands of employees, huge physical plants and land holdings, unions, corporate structures and lawyers and many other descriptors that most any business would love to have. And, as the direct state support continues to decrease as a portion of its total budget the description of an American, public university as a business in a competitive environment becomes even more accurate.

In American higher education we have often stated that our goal was to provide an education and document it with a degree. The student and those around them, providing advice and support will continue to decide if the

value of the degree is worth the investment of time and money.

To get what they want, students have learned to stand up for themselves and demand value for payment of funds. In other words, we are dealing with experienced customers. As the cost of higher education increases, new competitors are also emerging.

How have these trends affected the basic model of an American public university? I was fortunate to be one of the members of the Kellogg Commission on the Future of State and Land-Grant Universities, which in a series of reports, illustrated that our current era of change was being initiated by institutional and individual leadership and not by federal legislation as we have seen in the past.

When the commission initiated its efforts, it quickly found that a significant number of institutions had undergone and were undergoing dramatic organizational and structural changes. If you have not seen these reports from the Kellogg Commission, I would encourage you to seek out the website of the National Association of State Universities and Land Grant Colleges.

We as members of the commission, primarily CEO's of institutions that had or were undergoing major change, knew that our own institution had changed but were not generally

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aware that similar and many times dramatic changes were occurring throughout many other American, public universities. The Kellogg Commission provided a forum for a national dialogue on the new model of an American, public university.

Some of us, like most faculty and administrators, had a mental image of American, public universities that would have been descriptive of those institutions as they existed when we were undergraduates in the 1950's or 1960's. That is, institutions that were primarily composed of residential campuses offering undergraduate and graduate degrees. The majority of students entered from the state's high schools. A geographic service area, usually the state, as indicated by the differing fees for in-state and out-of-state students. The majority of the budget coming directly from the state. And, if a Land Grant Institution, possessing a Cooperative Extension Service and some county responsibilities that were largely invisible to all except the members of the local College of Agriculture. Today, this is still a common view amongst the general public and those that they elect to office.

In the Kellogg Commission discussions, the image that quickly emerged is that the American, public university now must be considered extremely diverse in composition and structure, best described as having a "spectrum of delivery" of courses, programs and

services. On one end of the spectrum is the traditional residential campus of the 1950's or 1960's except that it is now highly wired with the latest information technology capabilities. At the other end of the spectrum of delivery is the student or program participant sitting alone in front of a computer screen somewhere in the world.

I will use Washington State University to describe the "spectrum of delivery". Between our central campus at one end of the spectrum and the individual student at a computer, we have offices, classrooms or laboratories at over 75 locations within our state. Washington State University has facilities within a local area phone call of over 95% of the state's population.

In between the two extremes are other types of campuses carrying designations such as undergraduate, graduate, professional, co-located, business, and many others. These campuses are supplemented with a significant number of other delivery sites called "Centers" carrying designations such as extension, research, small business, etc. These many university locations throughout the state are tied together by communications systems and served by university or public radio or television. There is an irony in that information technology has physically moved us into a much more distributed model.

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In other words, the ivory tower of the 1950's ~1960's is now located throughout the state and serves students or program participants throughout the world. The American, public university has entered an era of significantly enhanced public engagement but has done it so incrementally that it has largely undergone this change unnoticed except by a few.

While the universities were becoming more fully engaged, they also changed their business model. This is demonstrated most dramatically in our sources of funding. State support has generally not kept pace with increasing university budgets and consequently as a percentage of the total university budget the amount coming from the state has generally decreased. Ironically, as universities have become more engaged in their state, support as a percentage of the total budget has decreased. This trend continues downward with many states reporting their percentage of the university budget to be less than 30~40%. I know many universities quote smaller percentages but I prefer to include all state funds including construction or capital funds.

In many cases students tuition and fees have not increased at a pace comparable to that seen in the areas of funding from research or services, grants and contracts, private fund raising in both campaign or annual fund drives, public/private business ventures and university related businesses.

Thus we often find ourselves designated as a "state university" where the state pays much less than  $\frac{1}{2}$  of the budget but expects full business and policy control. The very designate "university" would indicate that our primary mission is to educate students when indeed this may not be what we are actually emphasizing if one looks at our business model. Often our business model does not match our self image and how we describe ourselves. This mismatch between our perceived image and our business model is creating tension.

Let's look further at the interaction with our state government. With the advent of information technology the concepts of geography and time have been greatly diminished. With our universities having students throughout the world what does a state do with the concept of an in-state or an out-of-state student? Which state or country should be responsible for financial aid? Is it better to give the state, student aid directly to the student and let them choose their institution? With most states having councils or commissions to establish state policy for higher education, it is often easier to expand the universities programs in other states or countries, which do not have applicable regulatory authority.

Students now have a range of choices and as educated customers can pick or choose where and how much they want to spend of their

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time, energy and educational funds. This has been quite evident at the graduate level for many years. At the graduate student level, the final selection of which institution to attend is often strongly influenced by the offered stipend and medical benefits. The graduate and undergraduate students as employees and customers have already adjusted to the new model perhaps better than many of our traditional faculty. The emergence of unions amongst graduate students has been dramatic.

The more traditional faculty member with a high level of responsibility for teaching has always been and will continue to be a proud and valued member of our universities. But, with decreasing state support, enhanced financial support for faculty involved in research and the emergence of the outreach or engagement professional, the traditional, teaching faculty member has a right to question universities about their priorities and faithfulness to their perceived mission of residential education.

With the increasing interest in acquiring funds as private gifts or contracts many universities are moving towards what, in my opinion, is the next area of major change. These funds are without any question often the key to maintaining and enhancing the quality of many of our universities programs.

It has also been my experience that major

donors, be they individuals or business organizations, have usually provided the greatest amount of flexibility to use their funds in the best interest of the university.

The opportunities to interact with successful individuals or business organizations as donors of private funds have stimulated numerous discussions of public/private partnerships. Successful donors are usually successful problem solvers and entrepreneurs that genuinely want to help their university.

The involvement of our universities with the private sector is increasing rapidly. One has only to list the major universities announcing fund raising campaigns with goals in the billion of dollars and compare them to similar campaigns of a decade ago.

Linked with these major fund raising campaigns is the emergence of public/private partnerships forming centers, institutes or "think tanks". Many similar named partnerships already exist within universities and are, often a joint project of the university and a state or federal agency. But, the entities I wish to describe may have names shared with earlier organizations, but they are new and evolving.

Over the last year or so I have been investigating the organizational structure of these new public/private partnerships. I could

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use several as examples but will describe the one I am most familiar with which is the Talaris Research Institute(TRI) in Seattle, Washington. As the President of the TRI Board of Directors, I can state that we have been applying what we have been learning about these new partnerships.

The primary source of private funding for TRI came from a couple of thoughtful individuals that had been very successful in the business arena and wanted to combine the best aspects of public universities with the best attributes of a private institute. Their goal was to understand and distribute information on the cognitive development of children from birth to age five. TRI brings with it a significant piece of land adjacent to the University of Washington and is building a state of the art research facility designed by the involved researchers and outreach specialists. University contracts similar in structure to competitive grants are established with researchers in a wide range of departments, schools, colleges and universities, bringing them together in teams not often seen within any single university. TRI also directly employs a growing number of outreach and media specialists to report new research findings and evaluate the soundness of concepts existing in both the scientific and popular literature. The intended audiences are parents and organizations that deal with young children. The goal of TRI is to provide the best, reliable information to those that nurture or

provide services to children from birth to age five.

Thus significant sums of money are being used to build on high quality, existing research programs to help them further their work within a defined area and distribute to the public what they learn.

I know many of you can cite similar partnerships, as the intent of this concept is not really new. This concept thought is being rapidly enhanced and the partnerships are increasingly popular and sophisticated.

Let me close my comments by including a few additional observations on the emerging model of an American, public university. Having been the CEO of such a university for 15 years and participating in the discussions of the Kellogg Commission, there are a couple of issues I would like to mention.

The Kellogg Commission was successful in that it initiated a national dialogue amongst the CEO's of public universities but the issues raised have largely not been addressed by individual universities within their own state. Thus the national dialogue proceeds the state dialogue.

There are several issues that are unresolved that are causing tension within our universities and those they serve, our institutional



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constituencies.

First, universities are supposed to be stable and only change slightly to adapt to their surroundings. We are going through dramatic change and the general public is now becoming aware of these changes.

Second, the concept of a student has changed. We no longer deal with just the traditional student but instead, all individuals regardless of age, physical characteristics or location are potential students. Each university is free to decide which segments of the student market they wish to serve.

Third, in this increasingly competitive environment, only the highest quality programs will succeed and we do not always know how to assess quality in this new era. The whole concept of accreditation needs to be reexamined.

Fourth, many of those that teach and work within universities are finding their jobs and careers threatened and will actively resist change. The traditionalists do not particularly like what is happening to their university and their perception of the academy.

Fifth, many of our state's elected officials do not place sufficient priority on funding our universities but wish to maintain policy and regulatory control. In many cases, the state is

the minority shareholder and the other shareholders want a greater say in setting of policies and priorities.

Sixth, our universities now must deal with a wider, ever growing range of constituents that all want to guide our directions and these constituencies are often at odds with each other. We have new shareholders or if you prefer, stakeholders with potentially conflicting intents.

With these and many other issues facing us, what are our options? I suggest that we consider a comment that I made earlier in these remarks and that is "change" is occurring due to institutional leadership and not by federal legislation as we have seen in the past. We have entered an era of "narrowcasting" having left the era of "broadcasting". The national dialogue is occurring but we now need the state or local dialogue.

I would encourage Kellogg Commission type discussions internally at your institutions. We have historically, as universities, done our best when we made educated decisions in a thoughtful manner and not simply reacting to our changing environment.

This is a wonderful time to be in higher education. We are not discussing whether we should change but instead how much and how do we use it to make a better world. 