

# **How to Improve the Competitiveness of a University**

**Jinan University Forum Presentation**

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Greetings. I am honored to be with you today to participate in this forum and to share with you my thoughts on the subject of "How to Improve the Competitiveness of a University." This is an important subject, especially in the United States, where we are anticipating a sharp decline in the numbers of traditional college-age students in the decade to come.

Before I answer the question at hand, let me first tell you something about the university I lead. The University of Wisconsin-Eau Claire is primarily an undergraduate institution serving traditional-age students — typically 18 to 22 years old — in a residential setting. UW-Eau Claire provides an undergraduate liberal arts-based education with a number of professional programs, most notably nursing, education and business. We also have 13 master's programs in a variety of disciplines.

Our overall enrollment is about 10,500 — 10,000 undergraduates and 500 graduate students who are supported by approximately 1,200 faculty and staff. Our female-to-male ratio is roughly 60 percent to 40 percent, and we enroll about 125 international students.

For more than a decade, U.S. News & World Report has consistently ranked UW-Eau Claire among the top five regional public universities in the midwestern United States. In addition, two other national publications recognize UW-Eau Claire as one of the best values in public higher education in the United States.

Why do we rank so high? There are many reasons. For one, UW-Eau Claire is truly student centered. The student is the central focus of everything we do — and it shows. Our retention and graduation rates, for example, are significantly higher than the national average. Our students' educational experience is enriched by what we call our Marks of

Excellence. Faculty-student undergraduate collaborative research provides students with research and direct faculty interactions typically found only at the graduate level. Study abroad and national student exchange experiences allow students to spend a semester or longer studying in another country or at another university in the United States. And community-based learning enables students to apply what they have learned in the classroom to service in the community, instilling a sense of civic responsibility in our graduates. All these programs are recognized as some of the very best of their kinds in the United States, and they give students broader perspectives and experiences than they would otherwise have in a less rich academic environment.

And our students' accomplishments reflect that. We are one of only a handful of regional public universities in the United States to produce a Rhodes Scholar. Four of our students received Fulbright awards just this year, and we have had eight Fulbright recipients since 2000.

So, that is a little about us. And as you can imagine from what I have told you, our current competitive position could be described as advantageous. We attract students who perform well academically in high school and who score well on college entrance exams — we always meet our first-year and overall enrollment targets and must turn away many qualified students, especially in our nursing program. Yet, I have started the university down a path of assessment, re-evaluation and, quite possibly, reallocation of resources. Why? Because, as good as we are, we can be better. I believe we cannot remain static and expect to remain distinctive.

Which brings us back to the subject of this forum: "How to Improve the Competitiveness of a University."

First, let us understand what we are competing for. We are competing for the best students and faculty, reputation, research grant money and philanthropic funds. Each of these requires its own strategy, but given the nature of this discussion, I will instead focus on the current state of American universities in general and how they can improve competitiveness.

As I see it, the issue isn't what *we* want to be as a university, *but what our students, state and nation require of us and how we will meet that need.*

The core of the issue is, What kind of graduates do we need to produce? If we get that right, competitiveness will take care of itself because students will seek out the kind of education we provide.

There are three central aspects to the changing competitive paradigm:

1. What effect is globalization having on competition?
2. How must higher education adapt to meet the new challenges?
3. What must universities do to differentiate themselves?

First, what effect is globalization having on competition?

- Today's students are facing a very different world, where the speed of change is rapidly increasing.
- Globalization, "the integration of countries and peoples as a result of economic, technological and knowledge advances," over the past 50 years has seen the world shrink, and in the past decade globalization has been realized at the level of individuals.
- Thomas Friedman, a reporter for The New York Times, in his book, "The World Is Flat," talks about the new business reality where the brightest and best individuals compete globally for jobs — where scientists, engineers and artists work with colleagues around the world, not just in their own departments or within their own companies or universities.
- In my home state of Wisconsin, a researcher at the University of Wisconsin-Madison, James Thomson, is credited with developing the technique that allows scientists to separate and study human stem cells. That technology, developed in Wisconsin, is being shared globally. As a result, Wisconsin, a state traditionally known for dairy farming and manufacturing, now stands at the epicenter of

research that could transform the way we fundamentally approach medicine — and treat the human condition.

- At my own university, we are partnering with our local technical college and another University of Wisconsin four-year school nearby on a nanotechnology initiative that, if realized, could lead to collaborations with business and industry not only in our corner of Wisconsin, but with others around the world.
- Global business has long understood the value of inter-cultural relationships: Research by David Thomas and Robin Ely (Harvard Business Review, 1996) reveals that companies with integrated, diverse workforces are also more effective overall, able to be more creative, flexible and adaptable to change —critical characteristics for the 21<sup>st</sup> century.
- Global businesses value employees who also have an international world view, who are comfortable working with diverse perspectives, who work collaboratively, and who possess analytical and problem-solving skills.

But even if we understand the nature of the changing competitive global landscape, we still must ask the fundamental question: “How must we, as a university, adapt to meet challenges in the world around us, and, hence, be more competitive?”

Let us start with rankings. I have already described to you how UW-Eau Claire is ranked highly in several national U.S. publications. Unfortunately, what we do not know is whether the rankings reflect the appropriate criteria. We know what is currently measured — largely inputs, such as the quality of our incoming freshman class, our retention rate from the freshman to sophomore year, our faculty-to-students ratio and our average class size, to name a few — but what should we be measuring in terms of competitiveness? Or, put another way, what outcomes should we be measuring?

One university that I am very familiar with in my former state of Washington, Gonzaga University, states this as its mission:

“Preparing the people the world needs most.”

I believe Gonzaga has the concept right. We must determine what tools our graduates need to succeed in the 21<sup>st</sup> century environment and then we must provide them the appropriate learning experiences.

So, what tools do graduates need to succeed in our rapidly evolving global marketplace?

The ability to work with other cultures is increasingly important in higher education, business, and the research community. Remember what Thomas Friedman said about working with colleagues around the world, not just in your own university or company. Many of our common challenges — health care, economic development, environmental protection, agriculture, technology — are problems that cross boundaries and require individuals who know how to work effectively with others, regardless of their race, gender, creed or political philosophy.

Intercultural competence is essential to work in a diverse and global economy. This is not a skill that can simply be learned, it must be experienced. That is why it is so important for students to study abroad and experience other cultures, and why it is so important that we diversify our university campuses, so students are living and learning with students, faculty and staff who are different than them.

Intellectual flexibility — that is, the ability to combine knowledge and experience, also is essential to understand and adapt to new challenges.

Consultants at Gartner Inc. tell their technology clients that they do not need future employees who are technical specialists or generalists with broad but shallow skills. They need *versatilists*, who apply deep skills to a progressively widening scope of situations and experiences, gaining new competencies and relationships.

That is where a liberal education comes into play. There has been a great deal of debate in American higher education about what attributes distinguish the well-educated graduate. The American Association of Colleges and Universities proposes five, which I believe provide a sound foundation:

- The first is fundamental literacy — written and spoken word, quantitative reasoning, and technological competence. This includes basic understanding of mathematics and science, essential for using and understanding technology, as well as the ability to communicate in a second language — an area in which America sadly lags behind the rest of the world.
- Second is both deep and broad understanding of the disciplines. Deep, focused learning in an individual discipline enables students to push the envelope and expand discovery. Hands-on learning, such as UW-Eau Claire's faculty-student collaborative research and business-based internship opportunities, contribute greatly to students applying what they have learned. Additionally, it is important for students to be familiar with more than one discipline: chemists should understand how to interpret a poem and artists should know the beauty of the scientific method.
- Third, intercultural knowledge and collaborative problem-solving skills. I have already spoken somewhat to this point but would add that, in addition to meaningful intercultural experiences, students must possess the ability to collaborate with others across cultures and disciplines to explore and solve problems. American universities increasingly employ pedagogy that encourages collaborative learning and problem-solving.
- Fourth, the ability to integrate information and experience. The world of the future will present new challenges that will require not only knowledge but also adapting that knowledge to changing information and new experiences.

Integrating knowledge, information and experiences will be vital to lifelong learning and creative/collaborative problem solving.

- Fifth, a proactive sense of responsibility. Because our problems and opportunities cross boundaries, students must learn of our shared responsibility as global citizens. The decisions our students make as scientists, engineers, artists, business professionals, and political leaders will impact all of us. We believe community-based learning and civic engagement are essential to educating the whole student and instilling a sense of personal and social responsibility. That is one of the reasons why UW-Eau Claire is one of a select few regional public universities in the United States that requires students to undertake a community-based service-learning project to complete their baccalaureate degree.

Even if we successfully identify the effects globalization is having on competition and also align our educational programs to meet new challenges, we still may not be competitive — unless we are able to differentiate ourselves and be distinctive among the constellation of higher education institutions.

To do so a university must first fundamentally identify its mission and then be true to that mission. That requires a robust, inclusive and ongoing strategic planning process. At UW-Eau Claire, we are initiating such a process and have created a new position that will be responsible for strategic planning.

The person will report directly to the chancellor — which tells the campus the value I place on strategic planning. We will focus our planning initially on fully understanding the kind of institution we currently are by identifying our strengths and areas that are not as strong. We will then determine our vision for the future and put into place specific mechanisms to effect change. Importantly, strategic planning will engage all aspects of the university community.

Michael Porter of Harvard University (Strategic Management Journal, 1991) writes that the origins of competitive advantage are valuable resources, or core competencies, which are often intangible assets such as skills, reputation and the like. These resources are seen as strengths to be nurtured and which should guide the choice of strategy.

Planning must flow from mission. It must be driven by vision. But it is the core competencies that make it possible for the university to fulfill the mission and, thus, achieve the vision. Therefore, we must create strategies to develop our core competencies and to deploy them in support of our goals.

To transform our collective strategic vision into a focused mission, we will need to take a number of essential steps:

- First we must say who we are — remember the Gonzaga mission, “Preparing the people the world needs most.”
- We must do what we say — and do it better than anyone else.
- We must be sure others understand what we are doing.
- We must clearly define the company we intend to keep — in other words, who do we see ourselves competing with, and do our accomplishments compare favorably to theirs?
- We must effectively align ourselves, in the minds of our customers, with those competing institutions.
- And we must manage the institution so fulfillment of the mission is maximized in programs, public services and student outcomes.

The truth is, there is no easy formula to improve the competitiveness of a university. If there were, we would not need to have this discussion and there would be many, many more competitive universities.

To be competitive in the 21<sup>st</sup> century, we need to understand the effect globalization is having on competition, adapt to meet these challenges and find ways to differentiate our

universities through creating a focused mission and doing all we can to be sure everyone at the university understands that mission and is committed to fulfilling it.

#### Endnotes

1. T. Friedman, *The World Is Flat*, 2005
2. D. Thomas and R. Ely, *Harvard Business Review*, 1996
3. M. Porter, *Strategic Management Journal*, 1991