MEMORANDUM

TO: The Special Committee on Strategic Planning:

Frank B. Atkinson, Co-Chair
Linwood H. Rose, Co-Chair
The Honorable Alan A. Diamonstein
William H. Goodwin Jr.
Victoria D. Harker
Bobbie G. Kilberg
Stephen P. Long, M.D.
Vincent J. Mastracco Jr.
Edward D. Miller, M.D.
Helen E. Dragas, Ex Officio

and

The Remaining Members of the Board and Senior Advisor:

A. Macdonald Caputo  John L. Nau III
Hunter E. Craig  Timothy B. Robertson
Allison Cryor DiNardo  Hillary A. Hurd
George Keith Martin

FROM: Susan G. Harris

SUBJECT: Minutes of the Special Committee on Strategic Planning
Meeting on May 21, 2013

The Special Committee on Strategic Planning of the Board of Visitors of the University of Virginia met, in Open Session, at 10:10 a.m., Tuesday, May 21, 2013, in the Board Room of the Rotunda; Frank B. Atkinson and Linwood H. Rose, Co-Chairs, presided.

Present were The Honorable Alan A. Diamonstein, William H. Goodwin Jr., Bobbie G. Kilberg, Stephen P. Long, M.D., Vincent J. Mastracco Jr., and Helen E. Dragas, Rector.
Also present were A. Macdonald Caputo, Hunter E. Craig, Allison Cryor DiNardo, Marvin W. Gilliam Jr., George Keith Martin, John L. Nau III, Timothy B. Robertson, Hillary A. Hurd, Blake Blaze, and Leonard W. Sandridge Jr.


Also present were Benjamin G. Edwards and Craig Goebel, of the Art & Science Group, as presenters.

Opening Remarks

Mr. Rose began the meeting with a brief overview of the strategic planning process and the work that has been completed so far. The process began in September with a charge to President Sullivan and other members of the administration. The committee co-chairs, Frank Atkinson and Lin Rose, asked the President to undertake a strategic plan for the University, and suggested that she “establish a steering committee and the necessary work groups to address the requirements” of the planning effort. In response to that request, President Sullivan established a steering committee, and Vice Provost Milton Adams was assigned to provide leadership to the process. Subsequently, seven working groups were created and populated with diverse representation to promote broad-based involvement throughout the community.

As part of the strategic planning process, the President was also asked to include a comprehensive institutional assessment conducted by consultants experienced in higher education strategic assessment and planning. The Art & Science Group was engaged to conduct an independent environmental and academic assessment of the University of Virginia.

Mr. Rose said it was fair to say that this process has involved all those individuals who wish to contribute. The Faculty Senate held a working meeting devoted to the strategic planning effort, and student leaders also conducted focused discussions to imagine the university of the future. A strategic planning survey has been sent to alumni to solicit their input on issues and ideas under consideration in the working groups. That feedback will be incorporated as we move forward.

Mr. Rose said, with the benefit of the input from the various sources mentioned, as well as the preliminary findings and conclusions of the Art & Science Group, the President has crafted a proposed set
of strategic priorities that will be presented at this meeting. This report responds to the Board’s desires to have a number of touch points as we work towards a final strategic planning document following the Board retreat in August.

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Preliminary Report from the Art & Science Group, LLC

Ben Edwards stated that the information presented to the Board is in draft form. Art & Science Group assessed where the University stands relative to its own goals and relative to the environment in which it operates. The primary focus is University-wide and is not a comprehensive study of every school in the University. He stated that a strategy for an educational institution must create a comparative advantage and motivate both external and internal constituents.

Mr. Edwards reviewed the items that comprise the study: assessments; surveys; rankings; Art & Science Group price/aid/competitive position study; and interviews with Board of Visitors members, deans, department chairs, and senior administrators – approximately 100 interviews in total. They also examined the strategic priorities at nine comparison universities: Duke, NYU, UC Berkeley, UCLA, University of Chicago, University of Michigan, UNC Chapel Hill, University of Southern California, and Vanderbilt. These institutions were chosen because of particular gains in recent years and their status as leading institutions. They are a mix of public and private institutions. Art & Science also interviewed 30 individuals they refer to as thought-leaders. They include some of the leading scholars of higher education, heads of education associations/academies, former and current university presidents and provosts both in the United States and abroad, national foundation leader, education delivery entrepreneur, Virginia business leadership, and policy-makers and advisors.

Mr. Edwards discussed the environment for public higher education and some of their key findings. Every revenue source of public flagship universities is stressed and public universities are disadvantaged in the fierce competition for faculty. The tuition and financial aid model that has served higher education well in the past is now seen as vulnerable and poorly understood. He also mentioned technology and residential learning: technology may be revolutionizing teaching and delivery, at the same time there is a greater-than-ever need for residential education.

Mr. Edwards said there is a heightened expectation to innovate, solve problems, and operate more efficiently, so we are being asked to be more innovative in teaching methods but to operate more efficiently at the same time.
Mr. Edwards reported on the University of Virginia’s current position. He noted that those institutions used as comparators were becoming increasingly strategic and more decisive about the direction of their institutions. He said there are some pretty good strategic plans out there. The comparators are being very strategic about student recruitment and maximizing tuition revenue. They are competing for federal funding and trying to slow the decline in state funding. Their fundraising is increasingly targeted at strategic priorities. They are partnering with industry and others in creative ways, and they are exploring other funding sources and looking at cost-savings, privatizing, and leveraging assets.

Mr. Edwards reported he heard from individuals that the University is a wonderful, important, premier place, but it doesn’t seem as driven as others, and funding trends and rankings largely support that view. The University may be resting on its laurels - it has been complacent at a time when other institutions have been very aggressive in every facet of institutional building, and it is not as well positioned as it was 15 years ago. Budgeting has taken a toll, the narrative out of Richmond is not as uplifting, and the University missed the growth wave of federally funded research. The overarching message was that the University should build on existing strengths and advantages. He said we cannot expect to do everything well. The University is seen as having genuine, rare distinctions, which it not only should, but must, nurture, and strategically, aggressively build upon.

Mr. Edwards said the undergraduate student experience is a major strength. Students are highly engaged and take on unusual responsibilities. There is a distinctive, shared culture among faculty and students. One person interviewed said the University does undergraduate education better than their institution. The University has a freshman retention rate of 97% and a graduation rate of 94%. Students love the University of Virginia - they cited the student honor code, the beautiful campus, and the University’s history and tradition.

Mr. Edwards said the University does not stand out from their competition on the attributes that are most important in student choices: strong program in the student’s field of study, outstanding students, advising, and exceptional faculty. He said the University could raise tuition significantly for in-state and moderately for out-of-state students without losing market share. If the University were to decrease financial aid significantly, it would experience significant declines in the quality and diversity of its matriculating students, especially from out-of-state.

Mr. Edwards said the University could increase awareness of affordability and AccessUVA, and provide a more welcoming visit and atmosphere. The University could also strengthen its reputation for
program quality, advising, and student quality. The University should increase its emphasis on global citizenship.

The last part of the presentation focused on the implications for strategic planning. The University must invest further in the residential experience it provides if it is to be competitive and realize its claim of a contemporary Academical Village. Mr. Edwards said because there is little advantage to a university that delivers a premier undergraduate experience to be known as a good value, it would make sense for the University to charge what the market indicates it is worth for both in-state and out-of-state students.

He said the University could also take the lead in a study of contemporary higher education, including pedagogy and curricular content. The University should take the lead in focusing on the content of an undergraduate education today and the path through advising, experiential learning, and other forms of engagement of students to develop knowledge.

Mr. Edwards said the University will be best served to position itself as a research institution but not aspire to become a research-driven institution. This will require reinvesting in areas of leadership in humanities and social sciences, while also sustaining and developing strong offerings in carefully selected and focused areas in the sciences. It will also mean more interdisciplinary collaboration across programs, departments, and schools. Collaboration between the medical school and academic departments is critical.

As a final point, Mr. Edwards said the University’s position has helped claim national recognition for the State of Virginia, as a leader in higher education and on key issues. We should be mindful that we are in the spotlight, and that gives us an opportunity to make a mark, however, we also have the responsibility to set an example as the rest of higher education watches. He said the strategies that come out of this process should be clear, directional, and decisively supported by all.

Mr. Edwards said there was enormous pent-up energy for renewal and revitalization at the University of Virginia. Many in our community see the University as facing an inflection point of its own. They admit to being deflated by cuts and controversy, yet at the same time, stand ready for decisive leadership and investment to release this pent-up energy. The University can thrive by making clear strategic choices and reasserting a proud, vital, and accountable culture and commitment to academic leadership.
Special Committee on Strategic Planning

Presentation of Proposed Strategic Priorities

Ms. Sullivan said she was not presenting a completed strategic plan, rather, the intent is to bring to the Board some of the ideas that came out of the consultant process and to solicit feedback from the Board before the plan is prepared in its final form.

She said since this process began in September, it has been broadly inclusive with more than 10,000 students, alumni, staff, faculty, donors, parents, and peers offering comments and being involved. Board members have been interviewed individually. The Special Committee on Strategic Planning has guided the work. The external consultants have provided the Board their report, and the deans and vice presidents have also reviewed the process. Ms. Sullivan said it was fair to say that this is the most inclusive planning process this university has undertaken in recent history. This is important because we do need to have some consensus going forward about areas of strength and where we can create an identity of our own.

Ms. Sullivan said our distinctive identity is that we are both collegiate and a research institution. Many of the nation’s leading Research 1 universities today are not very collegiate, with many undergraduate teaching tasks relegated to adjunct faculty or teaching assistants, and a separate research faculty spends most of their time doing research. We are also unlike liberal arts colleges, where the faculty mostly reproduces the knowledge that is produced at other schools. The University of Virginia is trying to do both: we produce the knowledge, but we also teach it in close interaction with our students, and to the extent possible, involve the students in producing the knowledge with us. It is good to build on this distinctive niche, but we don’t have a lot of obvious models to emulate.

Ms. Sullivan presented a draft mission statement that was updated and approved by the Faculty Senate. She did not ask for the Board’s endorsement of it; she wanted them to see how it dovetails with the strategic planning process, as well as comments that have been made by constituents outside the University. She also presented a new vision statement and said that we have not had a formal vision statement in the past. The vision statement reads as follows:

The University of Virginia will embody a powerful model for public higher education – the collegiate research university – one that places the shared activities of learning and discovery within a residential community shaped by honor, inclusion, and public service, and that is designed to promote the expertise and perspectives required for leadership in the 21st century.
Ms. Sullivan explained the five strategic drivers which were developed through extensive input and will form the appropriate framework for the prospectus. Along with the drivers, she mentioned the leading initiatives that will assist in advancing each driver. She provided members with a handout that contained about 60 of the possible initiatives that will not be pursued. These initiatives came from many different sources: forums, individuals writing into the committee, and working groups.

Ms. Sullivan said she would like the Board’s help in prioritizing and selecting both the drivers and the initiatives. She reminded the members that we cannot accomplish everything in a five-year plan. The five drivers are:

- DRIVER #1: Enrich and Strengthen the University’s Distinctive Residential Culture: better termed as “total advising”.
- DRIVER #2: Assemble a Distinguished Faculty and Focus Research Strategically
- DRIVER #3: Make Ethical Leadership and Leadership Preparation a Common Purpose Uniting Faculty and Students
- DRIVER #4: Pioneer a Pedagogy that Produces New Levels of Engagement and Access
- DRIVER #5: Develop a Sustainable Organizational Model for Academic Excellence and Affordable Access

All of these drivers align closely with the Art & Science Group report. Ms. Sullivan reviewed each driver and explained the initiatives behind the driver.

Ms. Sullivan also briefly described principles for implementing the drivers. The principles are:

- We will ensure that our actions conform to our values.
- We will welcome opportunities to serve the Commonwealth.
- We will pursue continuous improvement as the source of ongoing excellence.
- We will make collaboration an institutional hallmark.
- We will seek opportunities to enhance our global perspective and presence.
- We will leverage technology for maximum gain.
- We will align budgeting with aspirations.

Following the President’s report, several Board members asked questions about metrics. Ms. Sullivan showed an example of the metrics we will have in place.

Rector Dragas commended the President on the work that has been done so far and said that it had been a very transparent process. She
reminded those in the room that the full report would go up on the Board website and she encouraged members to read it.

The Rector adjourned the meeting at 12:00 p.m. for lunch and said the committee would resume its discussion at 1:15. The Rector called the meeting back to order promptly at 1:15. Mr. Atkinson opened the floor for questions. The Board members were asked to send their comments or suggestions regarding the draft Strategic Plan Prospectus by June 3. Mr. Atkinson said they should focus on course direction and the big picture comments, because once the initiatives have been set, the administration would be moving full steam ahead on the metrics and details of how to accomplish those initiatives and to introduce a change in course at that time would be counterproductive. He said comments were welcome at any time during the process, but he would prefer to have “directional” type comments early in the process.

Rector Dragas suggested that academic excellence and access be promoted to an area in the plan that has more visibility. She said we should define what we mean by “academic excellence” and “access”, and determine if they should be in the vision and mission statements as well. She said that we had an external firm do an assessment while an internal group developed the drivers in parallel, and she felt it important that we look at the two and see how they match up. She said we may need to go to another group outside the University, maybe some new thought leaders or some of the same thought leaders that had been previously interviewed, and have one more round of external review. She said we may be missing some characteristics in the plan such as student self-governance and we may need to articulate a little better the student experience. Dr. Long opposed bringing in another consultant to look at the plan. He said hundreds of people have worked on this plan, thousands of hours have been spent creating it, and hundreds of thousands of dollars have been spent on it. He thought it was time for the Board and administration to take ownership of it and continue vetting among ourselves. Mr. Goodwin suggested instead of a consultant, we use the foundations and alumni in this capacity. The President is meeting with the Council of Foundations the week of May 27 and she will ask for their input at that time. Mr. Nau also suggested the Alumni Board of Managers as a review group.

Upon motion, the meeting was adjourned at 1:50 p.m.

SGH:dr
These minutes have been posted to the University of Virginia’s Board of Visitors website.
http://www.virginia.edu/bov/specialcommminutes.html