

President's Convocation

**Address of John J. Hurley
President of Canisius College**

**September 4, 2014
Montante Cultural Center**

I would like to welcome all of you back to campus and thank you for attending this, my fifth Convocation as President of Canisius College.

These annual addresses have been part “state of the college,” part vision of the future, and part personal reflections on challenges and opportunities. When I wrote to you to encourage your attendance today, I told you that I wanted this year’s Convocation Address to be more about the future of Canisius College, a future in which I expect the college to thrive! A future that will be marked by three critical elements that I will address today: redefinition, revitalization and innovation. But our vision of the future is shaped by our experiences of the past several years, so there needs to be some discussion of history. Let us start by talking about where we’ve been.

Where We Have Been

In September 2011, the financial aid budget for new freshmen spiked sharply upward leaving us with a substantial budget deficit. As we studied the reasons for that spike, we determined that while we had not managed the financial aid process well, we were experiencing a fundamental downward shift in our undergraduate enrollment patterns. That decline has been accompanied by a decline in graduate enrollment, primarily in the School of Education and Human Services as the job market for teachers evaporated.

In the spring of 2012, it became clear to me that this was not a one-year phenomenon. The demographic decline in New York State and the Northeast generally was forcing us to adjust

to the emerging new reality. Working with the Board of Trustees, I brought the Pappas Consulting Group to campus in the fall of 2012 to conduct a strategic assessment of the college. They looked at enrollment, financial aid, academic programs, staffing levels, teaching loads, fund raising, operations, and facilities. Their final report was just that: a strategic assessment of where Canisius found itself and Pappas used our data to, in essence, hold up a mirror so that we could see what we had become. This was a sobering and somewhat painful exercise, but absolutely essential.

The Pappas Report became the driver for the development of a comprehensive six-point strategy to turn Canisius around and position us for the future. Under that plan, we committed to taking an in-depth look at everything we do. I can report today that we have made tremendous progress.

The starting point for all of our planning has been enrollment and revenue. Let's look at where we've been. Undergraduate enrollment has declined 13.2% from Fall 2012 to this fall, as our entering freshmen class has declined from 705 to 640 this fall. The headcount in our graduate programs has declined 26% from 1,767 in 2012 to 1304 this fall. As 92% of our revenues are derived from student related revenues, it's no surprise that core operating revenue has declined from \$96.6 million in 2011 to a projected \$83.3 million this year. Our expenses peaked at \$96.8 million in 2012 and since that time, we have taken \$12 million out of the core operating budget.

A big part of that has been a reduction in our headcount at every level of the college. Fulltime faculty positions have declined 15% through attrition - retirements and departures – since 2012. Through a variety of measures – increasing seat counts, eliminating low-enrolled sections, imposing greater discipline in the course offerings, and restricting or eliminating many

out-of-pocket expenditures - we have increased teaching loads and that has enabled us to simultaneously reduce full time faculty and adjunct faculty. I do not mean to gloss over this in three sentences. This has involved a recommitment by our faculty to do what they do best: teach our students. But there have been costs, I know. Vacancies in departments do not always occur in exactly the right places or at the right times. Faculty members have had to increase their workload at a time when we were not able to give raises. So let me say thank you; thank you for what you have done and for what you have sacrificed to get us to this point. I applaud your commitment to the college and our students, and I pledge to continue working with you – in a true spirit of shared governance – to insure that Canisius thrives.

Administrators, administrative associates and other hourly employees also saw their ranks reduced by 15%. And again, I realize that this came with a cost and that everyone has had to work harder, do more with less, and deal with the anxiety and uncertainty that comes with the elimination of positions. So I say to you, thank you; thank you for your loyalty and commitment to Canisius College and for what you have done to help us get us to this point.

We also undertook a review of our operations and focused on 19 different areas to develop 128 initiatives to reduce cost and improve operations. Already, this program has resulted in \$1.3 million in budget savings with another \$1.6 million identified for the future.

We undertook a comprehensive overhaul of our approach to student engagement and retention. I urged the Retention Task Force to not tinker at the edges but to give us real and substantial change in the way we approach the student experience. It is clear to me that the campus community heeded my urgent call last year to develop a brand new approach to student engagement and retention. It is far too early to declare “Mission Accomplished” but just highlighting retention and focusing the campus’s attention on it over the past year has enabled us

to hit a new record high for freshman to sophomore retention. Just stop and think about that. We were able to improve the retention rate by approximately five percentage points in one year. That equates to about 40 students and over \$500,000 in tuition revenue.

We also asked whether our approach to athletics was aligned with the mission of the college. We concluded that athletics is a significant contributor to student recruitment, academic excellence and brand image and to drive home this point, we look no farther than our own Connor Panas, a senior on the Canisius baseball team who last month was named the Metro Atlantic Athletic Conference male student athlete of the year, the very best among 2500 male student athletes in the MAAC. Congratulations Connor!

What We Have Learned

So, as we pause here at the beginning of the semester to think about the future, what conclusions should we draw about our experience of the past three years?

First, there is no question that we have been through a trying period of transition and reorganization. I often wished that things could have been otherwise, but there is no getting around it: American higher education is undergoing enormous change and we must adjust accordingly. Our pathway through has not always been clearly marked and we have had to react to the unexpected. But in doing so, we've demonstrated both a persistence and a nimbleness in navigating through this very challenging period in our history. And that is a testament to you and to your commitment to Canisius College.

In the process, I think we have learned how to talk to one another. In the past, I've quoted business guru Jim Collins's observation that the truly great companies are those that can confront the brutal facts of their existence, but never lose faith. It remains so relevant for us today. "Leadership is about vision," he says, "But leadership is equally about creating a climate

where truth is heard and the brutal facts confronted.” And when I think about the past three years, I think it has been all about creating a new climate here; a climate where, to use Collins’s words, we lead with questions, not answers; a climate where we engage in respectful and productive dialogue and debate, not simply coercion. It’s not perfect. We sometimes forget to consult with one another. Our execution needs to improve. But, the important thing is that we’ve continued to talk and to face our challenges together and we haven’t lost faith.

Despite all of the transition and change, we remain committed to our core mission of providing an outstanding, transformational education to our students, an education that fosters in them a commitment to excellence, service and leadership in a global society.

Recently, people have been asking the question, “Where is all this change taking us? What is the end game? There has been a sense of uneasiness because without clarity on the vision, we remain in a reactive mode, trying to navigate to a place called “sound financial footing” but without a roadmap to tell us where we’re going. I can tell you now that what we’ve been through the past three years is not a “one and done” scenario. There will be no resting place that we can call “sound financial footing,” at least not in the sense that we can drop our guard and return to the old way of doing things. Make no mistake: we have made enormous progress in rightsizing our expenses to bring them in line with our revenues. But, we will need to remain vigilant, nimble and committed to continuous change and improvement. So I return to the question: what is the vision for Canisius College?

A Vision for the Future

When I think about a vision of the future, I think about Canisius rising triumphantly from the uncertainty of the past several years to become one of the true innovators in American higher education. This vision can be summarized in three words: redefinition, revitalization and

innovation; a redefinition of what it means to be a student-centered university; a revitalization of our academic program; and the pursuit of innovation in our business model.

Imagine for a moment that it is June 1, 2020 and Canisius College is embarking on a year-long sesquicentennial celebration to mark the college's founding in downtown Buffalo by German Jesuits in 1870. From the collapse of the world's financial markets in 2008 and from all of the uncertainty and dislocation that followed, Canisius has rebounded and is being recognized as a turnaround success and an emerging innovative leader in higher education. What will we look like in these three areas?

A Redefinition of the Student-Centered University

By 2020, I expect undergraduate enrollment at the college to have stabilized at 2500 students as we pursue a smaller, but academically stronger student body. The high school average and SAT score of the entering freshman class will increase. Enrollment will grow in selected regional markets in the United States and in international markets where the college's Jesuit identity and business school accreditation will lure students.

Jesuit colleges and universities have summed up their approach to education with the Latin phrase, *cura personalis*, or care for the whole person. *Cura personalis* is defined in our own Canisius viewbook as an education that will "expand your mind, strengthen your body, and enrich your spirit."

The world today, from accreditors and elected officials to demanding parents and students, requires that we move from this type of general aspiration to things that can be measured and established in the life after Canisius. In my Canisius of the future, our redefinition of what it means to be student-centered will mean that the entire Canisius experience on every

level – undergraduate, graduate, and professional development – is a way of preparing students to become lifelong learners in a global digital marketplace.

The college must establish that its graduates have a distinctive advantage in the job market and in graduate and professional schools. Several months ago, in a column in the New York Times, Thomas Friedman’s opening line was, “How’s my kid going to get a job?” And he recounted a conversation he had with Laszlo Bock, who is in charge of all hiring at Google. Bock had told Friedman that Google was willing to hire people without college degrees, so Friedman went back to talk to him about the value of college.

Bock said, “My belief is not that one shouldn’t go to college.” It’s that among 18 to 22 year olds, “most don’t put enough thought into why they’re going and what they want to get out of it.” He added that one shouldn’t just go to college because one thinks it’s the right thing to do and that any degree will suffice. He says that students need to be explicit and willful in making the decision about what they want to get out of this investment because this is an incredible investment of time, effort and money. To be honest, we in higher education need to be far more direct and explicit in having this conversation with students and parents. Being student-centered needs to mean that we will know what’s required to succeed in the world and we will deliver that, not just to a few individuals but to all students who take up the challenge.

We have taken a first step toward redefining what it means to be student-centered with our development of the GriffCenter. We must make that center a beacon of excellence for creative approaches to student engagement, advisement, career services, and linking the academic program to the job market. We have already reached a new high in student retention; as a result of our new approaches, I expect we will be reaching record highs in undergraduate retention by 2020.

We need to go further. Being student-centered will mean collecting data on employment trends and the skills and competencies required by employers in this new economy and students must incorporate this information into their academic planning. In job and graduate school interviews, students must be able to talk concretely about how they use their skills in critical thinking, oral and written communication, problem-solving, and ethics in approaching real life situations. We start from such a strong position. We are the place where leaders have always been made. Going forward, our marketing will make it clear that Canisius remains the place where leaders are made. Now is the time to breathe new life into this positioning and to demonstrate to prospective students and their parents just how good we are.

I am placing heavy emphasis on preparing students for the world beyond Canisius but I do not mean to suggest that Canisius College will or should become simply a vocational training center. There is continuing vitality to the phrase *cura personalis* as an expression of our commitment to caring for the whole person: mind, body and spirit. There are and will continue to be so many vital aspects of a Canisius education, particularly in the humanities, that will touch our students' souls and open their minds. But at the end of the day, our students, our parents, and our external stakeholders expect us to deliver leaders and we will also take this challenge very seriously.

Academic Revitalization

Our commitment to academic revitalization means that a general culture of assessment will take hold at Canisius. By 2020, I want us to highlight the tremendous progress we've made in building a culture of assessment and institutional effectiveness. The culture of assessment I am talking about is not simply touching the bases to satisfy the accreditors. It means that every academic program – from the core curriculum to every departmental major and program - will

develop significant and substantive assessment rubrics that tell us in very concrete terms whether our students are learning what we and the world need them to learn. The data collected on student performance must shape innovative reforms across the Canisius curriculum.

With respect to the core curriculum, faculty in all three schools of the college simply must develop a better consensus about the importance of the core curriculum as the defining characteristic of a Canisius education. Our failure to develop a true consensus about the core is holding us back. Our experience of the past few years convinces me that the college needs to consider revising the core curriculum to focus perhaps on a smaller number of courses, or at least a smaller number of critical learning goals that are continuously assessed. Data must be used to revise and improve courses so that the core meets its stated goal of demonstrating our highest aspirations for our students.

Academic revitalization means departments and programs should take their cues from the college's undergraduate accounting program, celebrating once again its position as the Number 1 ranked undergraduate accounting program in New York State. They should develop intensive and intrusive methods of advising students on how to enhance their employment prospects; a wide array of internship experiences; relationships with employers locally, regionally and nationally; feedback loops with employers to ensure that the college's curriculum responds to the changing needs of the world; and data about the success of our programs and the placement of our graduates. We must encourage additional courses to develop all students' skills and proficiencies in computers, business analytics, and financial literacy to expand career options.

We also need to reshape programs with lower enrollment by adopting creative interdisciplinary approaches. We will realize the potential of existing programs in computer

science, mathematics and information systems as we strive to meet the demands of the new economy.

As we revitalize the curriculum, we need to take advantage of technology. So I repeat my call for careful consideration of the direction in which online education, the flipped classroom and other academic innovations are pushing higher education.

The college will continue to introduce new graduate programs, primarily in online or hybrid formats. Academic services for online instruction and learning will include creative instructional designers who partner with the faculty to develop new courses and programs and enable the college to scale courses to ensure their financial success. Our online programs will be marketed nationally and globally.

The college will encourage lifelong learning through the development of creative professional and personal development courses taught in online, hybrid and in person formats that respond to market needs and showcase Canisius College and its faculty. The college will be a major player at the Buffalo Niagara Medical Campus, where life science companies will demand innovative degree and certificate programs as well as industry-specific courses to equip their workforces with cutting-edge knowledge and skills. Successful hybrid programs, similar to our Anthrozoology graduate program, will bring students from across the country to Buffalo to experience Canisius and the city, where the life sciences, medicine, architecture, arts, preservation, gardens, parks and a booming waterfront are magnets.

Innovation in our Business Model

Our pursuit of the innovative business model means that we will choose to be different in the world of American higher education and align our processes, practices and policies to support a new definition of excellence.

In our internal operations, Canisius will develop new ways of meeting the needs of students and doing the business of the college. The GriffCenter is a first step toward merging student support services. The college will also pursue a merger of student transaction functions involving student records, financial aid and student accounts. We will adopt best practices for purchasing and contracting for goods and services for the college.

With all of the disruption and change in higher education, there will be many opportunities for new kinds of strategic relationships among colleges. We will take our cues from the health care industry which over the past two decades has seen such dramatic changes that have produced, among other things, merged systems, fewer hospitals and new forms of competition such as ambulatory surgical units and emergency care drop-in centers. Canisius will thrive in the disruptive environment by adopting innovative business practices and pursuing strategic alliances as they arise. This can be a time of tremendous opportunity for Canisius if we approach the world with the proper mindset.

We will pursue strategic alliances with other universities, both locally and regionally. It would be great if Canisius undergraduates had access to 3+2 programs at colleges with allied health programs while we could offer students at other schools 3+2 programs in accounting or finance at Canisius. We can continue to look at relationships that could lead to creative ways of teaching entry level courses and allow us to more effectively deploy our faculty. Regional strategic alliances, perhaps within the Jesuit network, could see shared offices serving several schools in appropriate back office areas.

And our policies need to keep pace with a changing world. We will develop a comprehensive policy manual for the college, and as part of that initiative, I invite the faculty to join us in a rewrite of the Faculty Handbook. In the course of our Middle States self-study and

elsewhere, we have discovered so many outdated and incomplete aspects of the handbook. It is high time that we work with the faculty to develop a policy that will represent best practices and address all legitimate concerns. I hope that this project can be part of a shorter range vision for Canisius.

By 2020, the campus footprint will change. Our somewhat lower undergraduate enrollment and the online nature of our graduate programs will likely make certain peripheral buildings expendable. The developments at the Buffalo Niagara Medical Campus have changed the dynamics of the downtown Buffalo real estate market and will give us many more options to reshape the footprint of the campus to make our operations even more efficient. While we do this, we need to complete the renovation of Science Hall. We are filing an application with the Start-Up NY program to authorize the leasing of certain space on the campus, most notably on the second floor of Science Hall, to companies that will provide joint research opportunities for faculty and internships for students. We expect that the right tenants will help us bring national fund raising prospects to the college.

And no vision of the future would be complete without fund raising. Our endowment, currently at a record high \$107 million, will continue to grow. In addition to completing the fund raising for Science Hall and the Library Learning Commons, we will mark the sesquicentennial of the college by announcing a \$100 million endowment campaign for Canisius.

Conclusion

To be sure, this is an aggressive vision of the future. But if we look at the rich history of Canisius College, we have always been a college that has looked at itself and its environment and has seen opportunity rather than obstacles. We have been a college that has seized opportunity at every turn and, in the process, has thrived well in a very competitive environment.

We stand once again before the literal fork in the road. One way leads to a diminished Canisius that sees us succumbing to market pressures, failing to innovate and in the process, becoming less relevant in this rapidly changing world. The other way leads down the road of opportunity, down the pathway of redefinition, revitalization and innovation, and onward to a place of prominence in American higher education. There is no choice, really. This college has too long a history, too rich a tradition, too important a legacy to go anywhere but down that road of opportunity. We will continue to make the bold, strategic decisions that will insure our success.

We will travel down that road with our sights set firmly on our identity as a Catholic and Jesuit college, because it is that identity that allows us to speak authentically and convincingly about deeper meaning and a connection with the transcendent and to offer a unique value proposition to our students and the world. Our Jesuit identity compels us to seek the *magis*: something more, something better, something that will move us closer to our vision.

Ultimately, this vision is not simply about rankings, prestige or even just a more secure financial position. It's about seizing opportunities and making Canisius the kind of place we all want it to be. We all have a role in this. I thank each one of you for all that you do for Canisius. May God bless you and may God bless Canisius College.