Good morning. I am pleased to add my welcome and to deliver my fourth State of the University Address as your chancellor.

As you heard this morning, I have been having some difficulties with my voice in recent weeks. Now, to be sure, not all members of my staff consider this to be a problem. Indeed, it seems to have sparked an entire new genre of University humor. For example, “What do you call a Chancellor who can’t talk?” Would the answer be: a) A good start?; b) A significant improvement?; or c) A good example for the deans?

In that spirit, my remarks this morning will not be as extended as they have been in the past. (My notes here say, “pause for thunderous applause”!) But, while abbreviated, my message this morning comes at a particularly important time for UNC Charlotte, when both internal and external forces are converging in a way that both offer us—and require us—to reexamine many of our most important institutional challenges and opportunities.

Before I begin to discuss those issues, let me offer some personal words of praise for one group of campus employees whose work over the past several months we are enjoying today. In all the years I have been associated with UNC Charlotte, I cannot remember a time when our grounds and landscape have looked any better. We have dozens if not hundreds of new flowers and trees and, of course, we have a new campus entrance that will also eventually be landscaped. I hope you’ll join me in thanking our grounds and landscape crew.

Let me turn now to about a half dozen major initiatives on our agenda for the coming year and then to some larger conceptual issues that I believe have the potential to define UNC Charlotte for the next decade or longer.

Many of you know that the UNC system, under the leadership of President Erskine Bowles, has been engaged over the past year in a comprehensive planning effort called “UNC Tomorrow.” Put in its simplest term, UNC Tomorrow attempts to determine how the University will be ready to meet the needs of the state of North Carolina through the year 2020, including the expected arrival of 80,000 new students. That effort has looked not only at what is necessary
statewide, but also at how each of the constituent institutions that comprise the UNC system, including UNC Charlotte, can address the identified needs.

I think it is fair to say that UNC Charlotte’s response, led by our Provost Joan Lorden and supported by our Deans and faculty leadership, has won high praise from the President and the General Administration staff. So we will be able to proceed immediately into the next phase of UNC Tomorrow by pursuing the revision of our Campus Academic Plan (and our college academic plans) over the next several months. That revision will include proposed new doctoral programs, proposals for possible professional schools in public health and law, ideas concerning the development of our new College of Arts + Architecture, and other initiatives that will continue to define UNC Charlotte as one of the most exciting and dynamic institutions in the system. I would especially encourage our faculty to participate in that process as it unfolds.

An important foundational document for the revision of our Academic Plan will be a revised Mission Statement which I expect the Board of Trustees to approve at its next meeting in September. With approval by the Board of Trustees, we should be well positioned to submit our revision to the President and to the Board of Governors for their review and approval. The importance of this revised Mission Statement is that it carves out for UNC Charlotte an absolutely distinct role within the UNC system. Let me read you the essential paragraph:

**UNC Charlotte is North Carolina’s urban research university.** It leverages its location in the state’s largest and most vibrant city to offer internationally competitive programs of research and creative activity, exemplary undergraduate and graduate educational opportunities through the doctoral level, and a focused set of community engagement initiatives. UNC Charlotte maintains a particular commitment to addressing the cultural, economic, educational, environmental, health, and social needs of the greater Charlotte region.

I know that mission statements are typically ignored in higher education and I don’t want to oversell ours. But no institution in the UNC system will be able to lay claim to being the state’s urban research university and no institution in the UNC system will be able to lay claim to the unique resource that is Charlotte.

Hand in glove with the revision of the Academic Plan will be completion of the revision of the Campus Master Plan. This is a process we actually began this past year in collaboration with an external professional consulting firm. That firm’s challenge—and ours—is to determine whether and how our land, facilities, and infrastructure can accommodate a projected campus population of 35,000 students. That process will involve multiple opportunities for campus input and I would encourage you to participate as it unfolds. In fact, two open campus forums on September 4 and September 5 will be the next best opportunity for you to do so.

While we spend time thinking about the Campus Master Plan long term, I can assure you that we will also spend some time in the near term improving campus “way finding” and signage. Our new campus entrance has challenged us to think about how we present ourselves to campus visitors and others not familiar with finding their way around. I think we can all agree that we need to move away from those temporary small green signs that are stacked one after another and that seem to point in opposite directions all the time.
I am sure that some of you are thinking, “well, mission statements and master plans are fine, but when is he going to talk about something important, like parking?” I’m not going to spend too much time talking about parking, but I do want to spend some time talking about our work this year on something important, like campus safety and security.

You may remember that, in January of this year, I appointed a new Campus Safety and Security Committee to develop a campuswide safety and security plan, and to make recommendations on where our resources are best used to address both the realities and campus perceptions about campus crime.

That Committee has worked very hard and has already issued their first report. That report confirms what we knew—that we are a very safe campus. But it also confirms that many people do not feel safe in particular areas of campus and at particular times of day, and it suggests that we have some areas of actual vulnerability to certain kinds of crime. The report also points to the need for widespread safety education.

The Committee has provided me with recommended budget allocations and I intend to address as many of those as I can using campus resources from our 2008-2009 budget and from funds to be allocated by President Bowles from a legislative appropriation for campus safety authorized by the General Assembly.

We also intend to move forward in early September with the initiative I announced earlier this year to create an expanded motorized transportation escort service for disabled persons during the day and for all others in the evening hours who want safe transportation from their offices or the library to their vehicles or residence halls. This service, to be known as SafeRide, will involve new electric vehicles that will be able to navigate campus pathways and parking decks. SafeRide will be administered by Parking and Transportation Services to ensure a more timely response and so that our sworn police officers can attend to their primary job of providing law enforcement services.

Finally, we intend to continue our contract supplemental security service to provide additional foot patrols on campus in the late afternoon and evening hours, and I have asked Police Chief Marlene Hall to assess the need for additional contract security and/or sworn officers for consideration in the current budget. The report of the Campus Safety and Security Committee makes it clear that an opinion shared by faculty, staff, and students is that they do not see a sufficient number of police officers or security personnel on campus either on foot or on bicycle. Chief Hall and her staff are best qualified among all of us to make the judgment about how to deploy our security forces, but I know she understands the need to ensure that our security officers are visible and accessible to the campus community.

Of course, campus security doesn’t begin and end with stolen computers or parking lot crime. It represents a spectrum of events that includes at least the potential for events as serious as the shootings at Virginia Tech and Northern Illinois to more likely probabilities like building fires, localized chemical spills, and so on.

You should know that UNC Charlotte administrators and senior staff regularly rehearse various emergency response scenarios. But these table top exercises can only go so far on a
large campus if faculty, staff, and students do not know how to respond in the event of a real emergency. So, this year, all of you are going to become part of our emergency training program. To begin, all members of the faculty, staff, and students will be receiving cards to carry in their wallets with basic information on what to do in case of an emergency. In addition, over the course of the year, we will be practicing real-time building evacuations on a pre-announced basis. A safe campus begins with safety education, and all of you need to be part of that. I hope we can count on your cooperation in these exercises even though they will be disruptive to regularly scheduled classes and office operations.

A fourth major project for this year will be to address a set of issues relating to “institutional support.” That term may not mean much to many of you, but it is fundamental to how we function as a business and administrative organization and, more importantly, how we support the work of the faculty as they deliver our primary missions of teaching, research, and public service.

This year we have three areas of institutional support that we need to be concerned about.

The first strikes at the very heart of the institution and that is our ability to manage the financial resources entrusted to us. An analysis of administrative systems on UNC campuses commissioned by President Bowles and conducted by the consulting firm Ernst and Young confirmed what we know—that our Financial Services area is blessed with extraordinarily dedicated and talented staff, but is inadequately resourced in terms of the number and level of staff dedicated to essential tasks. We will make the assessment of the Ernst and Young report a high priority as we start this academic year so that we can both minimize any possible financial and reputational risks to this institution and also strengthen the support of Financial Services to the campus community.

The second area concerns the administration of research contracts and grants. We want our faculty who are successful in competing for external funding to be able to concentrate on their research and to minimize the administrative burdens of managing their research contracts where we can. But as we have grown in complexity as a research institution, so has faculty unhappiness with the level of administrative support we’re providing and with our business processes. We don’t have enough people and we don’t have enough people trained at the appropriate level. Moreover, we have too many business processes that work poorly and too many systems that are not well-integrated.

We aspire to create a seamless customer-service organization with clearly communicated processes and procedures. We are committed to providing well-trained staff, a solid working relationship between the colleges and central offices, and better reporting tools for grants management. These are issues that will require us to work across offices and divisions, and I have charged the Provost, the Vice Chancellor for Business Affairs, the Vice Chancellor for Research & Federal Relations, and the Chief Information Officer with delivering on this commitment.

We do not intend to appoint a task force. We will listen carefully to the needs of the faculty, map the pre- and post-award processes so that we fully understand the places where they break down, add additional positions in the Office of Sponsored Programs and elsewhere if
necessary, and train the staff in all relevant offices. And we will train them not on the old processes, but on completely re-engineered paper and IT processes with reports that are intelligible to all. We will create a program for Principal Investigators to ensure they, too, have the knowledge and skills needed to best advance their research on campus while complying with those compliance and administrative requirements over which we have no control.

Finally, we will continue with our Banner software system implementation. I know that some people have come to believe that Banner has been responsible for everything from global warming to recent increases in the cost of gas. But it is worth noting that this year we went live with the University Advancement module, the final component of our Banner system. We have now completed the strenuous, five-year process of installing a software system that touches each and every part of the University.

I am very grateful for the remarkable effort by literally hundreds of people involved in the Banner implementation. What we asked them to do was akin to keeping all the lights on in a house while replacing all the wiring, or to keeping all the water running in a house while replacing all the water lines. The Banner implementation team kept the University running while we asked them to rip out and replace all of our virtual plumbing.

And while we implemented the basic Banner systems, the University was not just sitting there statically—we continued to grow and expand, both in size and complexity. So our task now is to use Banner and our other administrative systems in ways that help us meet the service and quality needs of a growing research University. This year, we will improve the quantity, quality, and availability of the reports that you need to manage your grants, serve your students, or support your operations. We will deliver more information on the web in easy-to-use formats. We will also begin to bring on-line those tools that make running Banner easier for the users of the system and will begin our first projects with automated workflow and document imaging. Most importantly, we will redouble our efforts to listen to those who use our systems in order to develop solutions that help rather than hinder. I hope all will remember that Banner is a journey, not a destination. We just need to keep walking down the path.

Finally, no set of comments by me in the last year would be complete without talking about football. However, my voice is going so I guess I can’t talk about it today! Seriously, I have nothing more to say about football this morning other than that I still hope to deliver a recommendation to the Trustees in September, but it is impossible to know whether they will act on that recommendation at that time or take it under advisement for decision later in the fall or thereafter. I am continuing my process of due diligence and do plan to share a good bit of my research with the Faculty Council early in the fall.

Let me turn now for just a few minutes to some thoughts about the future beyond this year and about the need for us to begin a conversation about how UNC Charlotte will respond to the changes in our internal and external environment that will dramatically affect how we serve the state of North Carolina.

First, I’ll observe that when I arrived in the summer of 2005, I saw plenty of things we could work on to make us stronger as an institution. Indeed, at the time of my Installation in
February of 2006, I identified 45 tangible actions that I hoped to accomplish within the first five years of my administration.

We are now two and a half years into that agenda, and I’m pleased to report to you that 89% of those 45 items have either been completely accomplished or are well along to completion, including the creation of the new College of Arts + Architecture and the establishment of the Center City facility. So, as we think about a new agenda for the future, what do we need to think about in framing that agenda?

Well, first, we need to know that the students will keep coming. Every projection we have and every projection by the UNC system suggests that North Carolina will need to accommodate 80,000 students by the year 2020. And as long as the General Assembly continues to fully fund the state’s enrollment growth—as it has—it is probably not an option, as the state’s public institution, to significantly restrict our enrollment.

Second, I do not expect fundamental changes in how the UNC system allocates funding within the system. Over the past three years, there have been two major exercises within the General Administration to examine both the funding equity within the system and the appropriateness of the enrollment increase funding formula. I do not agree with the outcome of those analyses, but no point would be served by discussing that here. The simple fact is that I did my very best to change the funding system. I lost. We move on. In moving on, we should acknowledge that, compared to most universities in most states, we are relatively well funded as a system and we are not suffering budget reductions or personnel lay-offs. It could be much worse.

Third, as good as state funding has been the last few sessions, the condition of the national economy was clearly felt in the North Carolina state budget session this year and it is expected that next year will be even tougher. And there are good reasons to believe that structural pressures on state budgets from health care and public education will mean that the discretionary higher education budget will suffer disproportionately in the years ahead.

What this means is that we need to think very seriously in the years ahead about how we do our business. We don’t need to mimic the private sector, to be sure, but considerations of efficiency and entrepreneurialism need to become part of our way of thinking.

Now I can feel many backs stiffen when the word “efficiency” is uttered, because immediately what is assumed are classrooms with a thousand students or instruction that is delivered entirely on-line. But what I’m talking about is the need to rethink all of our academic and administrative processes in recognition of the fact that an institution with more than 23,000 students cannot function the way it did when it had half that many. And unfortunately, in many instances, we have not adapted as we have grown. And as we think about enrolling 25,000, 30,000, or 35,000 students, we must always be on the lookout for new ways of accomplishing our work, academically and administratively.

A good example of creative thinking on the administrative side is our new telephone call center which has been led by Associate Provost Kathi Baucom. Here we have combined technology, training, and teamwork to find a new way to deal with the massive volumes of
telephone calls that we now see in our frontline student service offices, particularly at the beginning of the school year. Not only are we more “efficient,” but we are delivering service at a higher level of quality.

Another opportunity for rethinking might be a re-examination of our traditional work arrangements. For staff, it could mean looking much more seriously than we have in the past at how the four-day work week can not only reduce personal fuel costs, but also actually extend the service hours of University offices beyond the traditional 8 a.m. to 5 p.m. hours. The Office of Development is a good example of how this was done just this year.

For faculty and certainly for some staff as well, I would like to begin a dialogue on something perhaps even more challenging to our traditional ways of thinking. Many large companies have already figured out that their employees are able to work productively from home. Indeed, some companies actually compensate employees to give up their office spaces because they find that option less expensive than building or leasing the space required to house those employees in a corporate headquarters.

Obviously, academic communities are different. Faculty members need to be on campus to meet with students and to meet with colleagues. They need space for class preparation and for research. But a new reality that we have to face is that state governments will be hard pressed to build an individual office for each and every faculty member who must be hired over the next ten to twenty years. I would encourage us to begin now to start a conversation about what some of the options might be. Heck, let’s experiment with some alternatives before we conclude they won’t work. We’re North Carolina’s urban research university. We can figure this out.

The other word I mentioned was “entrepreneurial.” No, I am not suggesting that we have a UNC Charlotte bake sale. But we do need to begin to think about alternative ways of generating revenue beyond the state dollars we receive. Here I am not simply talking about fundraising, which certainly has its place. Rather, I am talking about innovative public/private partnerships that can help us get things done when state dollars are not there. I am particularly interested in exploring these possibilities on the capital side (for the construction of academic, research, student support, and administrative buildings) since it appears unlikely that the state process for allocating state construction funding will be able to keep up with UNC Charlotte’s enrollment growth trajectory.

We also need for our faculty research enterprise to become more entrepreneurial. We’ve made some very significant institutional investments in the research enterprise here and it does take time to fully realize the fruits of those investments. But some of our research centers can do better, and I’ve asked the Provost and the Vice President for Research and Federal Relations to work with our centers to see whether we can realize a better return on our investment.

Another factor we have to consider as we grow is that our workforce is changing fundamentally and we have to figure out what those trends mean for making sure we have employees well prepared to do their jobs. Right now, nearly 30% of our permanent EPA and SPA staff have been at UNC Charlotte for fewer than two years. That’s a lot of fresh faces (and that’s good), but that’s also a lot of people with no institutional memory and a lot of people who may not know how things work around here.
And at the other end of the human resources chain, 26% of our staff and 34% of our faculty (in other words, almost 30% of our workforce) will be eligible to retire within ten years. And with our expected growth, we estimate that not only will we need to replace the staff who are retiring, but also we will need to hire well more than 1,000 additional permanent non-faculty employees.

Now these changes may require us to think innovatively about some strategies that might interrupt the loss of our most experienced folks, such as a phased retirement program for staff. But beyond postponing the inevitable, these institutional changes present us with at least five large challenges.

First, for both staff and faculty, the retirement bubble is part of a national trend and, as such, it means that we are going to be in an all-out national war for talent. And the weapons in that war will not just be competitive salaries and benefits, but also the presence of collegial, supportive, and innovative workplace environments. What will that workplace look like and how will we develop the “best in class” at UNC Charlotte?

Second, we need to rethink how we bring new employees into UNC Charlotte. What do all these newcomers mean for orientation, job training, and career development to ensure that we have well-prepared and committed employees for UNC Charlotte? We have tended to think of orientation and training as things that are squeezed in when the new employee has time for it. I don’t think we can afford that approach any longer.

Third, there can be no question that the workforce of the future will be significantly more diverse than the workforce of the present, and we can expect that diversity will both enrich us and generate conflicts that can be divisive. How will we embrace this diversity?

Fourth, with larger numbers of newer employees and the retirement of experienced employees, there is a greater premium placed upon communication than ever before. Employees need to know how and where the University is headed, how their division or unit contributes to the University mission, and how their work contributes to the accomplishment of the University’s goals. It’s probably safe to say that the Campus News and the Chancellor’s semester newsletter are not enough to address these communication challenges. What new communication initiatives are possible and sensible, without burying our employees with meaningless information?

Finally, I believe that maintaining what has been an extremely productive institutional culture could be threatened if we are not intentional in thinking about the consequences of growth and personnel change. Although it is difficult to capture in a few words, I’ve always thought of UNC Charlotte with words like “focused,” “collaborative,” and “collegial.” Can we devise a strategy to make explicit some institutional values to which we can all subscribe?

I appreciate your time this morning and especially your patience with my faltering voice. I wish you all a very productive fall semester. And remember, Go Niners!