

THE BEGINNING OF THE NEXT JOURNEY

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Rochester Institute of Technology

Community Address

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WELCOME

Good morning and welcome to the academic year 2004-2005. This year, approximately 3,143 faculty and staff will carry our university forward. New faculty and staff number approximately 194. Will all the new faculty and staff please rise so we can give you an RIT round of applause? Thank you for joining us and may your first year at RIT be satisfying and productive.

In what follows, I shall first provide a few snapshots of the past year. I shall then look ahead to some issues and opportunities that will present themselves next year and beyond. I shall conclude with a brief discussion of ethical leadership, which is the guide rail for our next ten-year journey.

SOME SNAPSHOTS

Enrollment

In my remarks last fall, I indicated that RIT's enrollment would continue to grow, although our rate of growth would be less than has been true in the past. I indicated that 2003-04 results were likely to be less than originally projected.

Factors contributing to this shortfall, include world political and economic forces, competitive factors among institutions vying for our increasingly well-qualified admitted students, and changing student career interests based largely on current workforce realities and changing government policies. We expected international enrollments to be particularly affected. We expected local part-time enrollments to be flat. We expected co-op participation to increase.

As it turned out, our overall enrollment for 2003-04 was flat, with a head count of approximately 15,330. In the final analysis, we underestimated the increase in numbers of students participating in co-op, the softness in new and returning part-time enrollments, and the overall challenges in new and returning international graduate populations.

This unexpected additional shortfall from our growth expectations prompted me to issue budget memos at midyear, which I will discuss later.

Looking to the 2004-05 academic year, we have projected an increase of 100 FTE students. Given the past year, we must continue to monitor our results carefully, recognizing the degree to which RIT depends primarily on net tuition for meeting operational costs. Let me just share a few items that reflect enrollment results and activities:

- The recruitment for the 2004 freshman class has more than recovered from the 2003 year. For budget purposes, the freshman class was projected to increase by 1.9%. Based on current deposit data, we now expect the class to increase by 6%.

- The freshman class is expected to be equal in quality to the record set last year. SAT's will average 1220 with the middle 50% of incoming student scores falling between 1125 and 1300.
- 50% of the freshman class will come from outside the state of New York.
- A lower percentage of the freshman applicants were admitted than were admitted in 2003, thereby raising the selectivity of the class. This was possible because the number of applications is the largest in our history. Freshman applications for admission have increased by 10% over last year and by 6% over our 2002 record year.
- Transfer applications have increased by 4%. Despite this increase, we expect the transfer class to decline by 40-50 students.
- Graduate applications have declined by 22%. This is relatively modest when compared to other U.S. universities, especially those heavily committed to science, engineering, and technology, and those with large international populations.

All of RIT graduate application decline is in the international arena, concentrated particularly in India and China (which are our two largest sources of international graduate students). Despite this drop, graduate deposits for fall are similar to last year at this time. Precisely where we will end up with regard to graduate student enrollment projections is, therefore, not certain. Our domestic graduate enrollment will grow while international enrollment will decline.

- Freshman, transfer, and graduate entering classes are all more diverse than in 2003.
- Annualized co-op placements for the past year reached 4,200, an all-time record for a twelve-month period at RIT. This is a mixed blessing, since it contributed to the FTE shortfall last year.
- In the international arena, we continue to pursue new agreements and affiliations. The purpose of these agreements and activities is to increase student quality, increase net revenue, and enhance the global diversity of our student body.

Let me share a few examples. We have completed an agreement with Yeditepe in Istanbul, Turkey, wherein we will offer our first dual degree masters in Engineering; we have completed a site visit and signed a general agreement with UNITEC, the technical university of Central America located in Tegucigalpa and San Pedro Sula, Honduras; we have finalized a distance learning degree program with PUCMM (Pontificia Universidad Catolica Madre Maestra) in Santo Domingo, Dominican Republic; we have completed an undergraduate articulation with CYBERTEC of the University of Applied Sciences in Lima, Peru; we have completed site visits and hosted representatives from Welingkar in Mumbai, India, expecting to operationalize initiatives in 2004-05; we have initiated discussions with OAS (Organization of American States) for possible financial support of a number of our Latin American initiatives with partners to the south; and we have invested more heavily in marketing efforts in India.

Academics

Academic program development this year includes:

- Master of Science degree in Computer Security and Information Assurance.
- Bachelor of Science in International Studies.
- Bachelor of Science in Advertising and Public Relations.
- Two Associate of Science degrees (in Business and in Applied Computer Technologies) in NTID.
- Advanced Certificate in Human Resource Development.
- Based on Nippon Foundation Funding (\$5 million so far and \$5 million more anticipated), replicating the NTID model in host universities in Japan, China, Russia, Philippines, Thailand, and the Czech Republic.

I am following with great interest the review process for the Golisano College's proposal for a Ph.D. degree in Computing and Information Sciences. This program will be a complementary and synergistic partner with our two existing Ph.D. programs in Imaging Science and Microsystems.

Student Life

From an extracurricular point of view, RIT supports active membership (bylaws and budget provided by the university) for 140 clubs, 24 intercollegiate athletic teams, 28 fraternities and sororities (including 6 new houses in Greek Row), an active student government, a daily radio program, an active weekly student-run magazine, and a bi-weekly ESPN 2 TV program (The RIT Sports Zone). In addition, we have introduced campus-wide activities such as the Brick City Festival and the Spring Fest, in which multiple bands and other activities are brought to campus for extensive weekends. Each year there are 9000 programs offered directly in the residence halls.

Nonetheless, a disappointing student behavior event occurred at Colony Manor Apartments this spring. My judgment on that issue is that some students were in the wrong place at the wrong time doing the wrong things. Ten students were arrested and RIT has suspended or expelled nine of the ten, allowing the tenth to graduate but not participate in graduation ceremonies. This incident was unfortunate.

It was a learning experience for all of our students: you follow well-stated policies and guidelines and exhibit appropriate behavior or there will be serious consequences. There are also lessons for the RIT administration: we are designing activities and procedures to minimize possibilities of such occurrences in the future.

In taking a long look, this is the first occurrence of this kind we have had in ten years. Prior to that, multiple events much worse than this occurred every spring on a regular basis. We stopped all of that with our alcohol and other policies and enforcement procedures. Interestingly,

student spirit and allegiance are much higher now than they were then, for the right reasons and not the wrong ones. At the same time, there is still work to be done.

Finance and Facilities

Highlights of the finance and facilities area include:

- Designed, financed and implemented a total restoration of the administration circle including the site work to support development of the Paley Sculpture.
- Designed, financed and implemented a total restoration of the Kodak Quad including the creation of the monumental staircase and limestone repeating wall features.
- Completed construction of the Gordon Field House.
- Completed the second year of RIT Sport Zone television programming with an expanded student workforce now numbering over 50 contributing students. The *Democrat and Chronicle* will now feature streaming video through their web page.
- Conducted the third successful year of the “Student Art Bench on Campus” project. Competition now involves the entire school of American Crafts student population which is greatly expanded from prior years.

Communications

The highlights from the communications area are grouped under “external communications” and “internal communications”.

External communication:

- **News placements** by University News grew 27 percent in the 2003 calendar year to more than 7,500 placements.
 - Overall news placements – national, regional, local, TV, Print, Web, and Radio – have climbed 78 percent in two years.
 - *Democrat and Chronicle* placements grew 28 percent in 2003, to 757 placements.
 - *Democrat and Chronicle* Editorial page placements more than doubled to 42 placements in 2003.
 - *Rochester Business Journal* placements jumped 13 percent from 2002 to calendar year 2003.
 - Placements in trade journals jumped 18 percent to 1,585 last year.
- **“Day in the Life”** – This special section by the *Democrat and Chronicle* shed light on what it’s like at RIT on a daily basis. About 200,000 copies were printed, including

10,000 that went to area high schools. The online version of RIT's Day in the Life generated nearly 40,000 visitors (and continues to climb).

- *Rochester Business Journal's* **special 175th edition**. This keepsake publication featured 48 pages on RIT's history and outlined its future vision. 15,000 copies were distributed during graduation weekend; 10,000 copies remain to be used throughout the year.
- **Microelectronics:** Professor Bruce Smith's groundbreaking research on microchips was the front-page lead story in the *Democrat and Chronicle* on April 3. The story has become the *Democrat and Chronicle's* **all-time No. 1 Web story**, with more than 40,000 hits. The story has been played nationally in magazines such as PC World.
- **Black Issues in Higher Education:** RIT's diversity hiring program was the cover story in October. *Hispanic Outlook in Higher Education* also featured RIT's diversity hiring program as its cover story in April 2003.
- **RIT's FEAD/Post-tenure review process** was prominently featured in the *Chronicle of Higher Education* in November.
- **By the People:** RIT teamed with WXXI, the *Democrat and Chronicle* and the MacNeil/Lehrer NewsHour on the national "By the People" project. The project examined America's role in the world in terms of homeland Security and a global economy. A live panel discussion and audience polling/participation were taped at RIT. This partnership with media groups will continue this fall as PBS examines the key issues in the 2004 presidential race. RIT will be among 30 universities nationwide participating in the event.
- **RIT Homepage:** A new RIT homepage was designed. Our institutional identity/brand is more prominently featured on the new homepage.

Internal communication:

- **University Magazine:** The magazine earned first place in the annual publications competition held by the Public Relations Society of America – Rochester chapter.
- Launched **Office of the President** Website. The site contains white papers, speeches, memos and more.
- Launched "**Ask the President**" Website in September. This interactive tool keeps students informed on various campus topics. More than 100 questions have been answered.
- Launched new unified **RIT Web Calendar** in the fall. This was a project that the students asked for. Now, all RIT calendars are consolidated for "one-stop shopping" on the Internet.

- Produced and launched 175th Anniversary Website.

Development and Alumni Relations

Highlights from Development and Alumni Relations include:

- The Capital Campaign has raised \$208 million.
- Since the Campus Campaign began in October 2002, the 28 dedicated members of the **Campus Campaign Committee**, led by Kathy Carcaci and Larry Winnie, have made significant progress in several key areas:
 - Campus-wide participation has increased to **51.4%**
 - Total donors have increased to **1,442**
 - Total alumni faculty/staff donors have increased to **701**
 - Total attainment is now over the \$2 million goal. Of special note is the increase in:
 - total faculty/staff cash gifts received – \$934,699
 - the balance on new faculty/staff pledges – \$245,479
- Alumni Relations has organized 425 events with more than 13,000 participants.

Government and Community Relations

Government and Community Relations and campus celebrations include:

- Being selected as the first runner-up to host the 2004 Presidential Debates.
- Planning the RIT 175th Anniversary Year. There were two kickoff events. The first was the May Convocation (with Xerox CEO Anne Mulcahy as the Commencement Speaker); this was the first official event in the new Gordon Field House and Activities Center. The second was the Founders Day celebration in June; this featured a community conference keynoted by best selling author Richard Florida (*Rise of the Creative Class*) and an inaugural Corporate Awards Gala recognizing key corporations that have supported RIT.
- Exceeding the United Way campaign at RIT goal and securing an Award of Excellence for the tenth consecutive year. The amount raised so far this year is \$339,357, which is \$9,000 over goal.
- Hosting at the RIT Inn and Conference Center a major conference on Fuel Cells and Alternative Energy Resources that was sponsored by Senator Clinton and her New Jobs for New York initiative.
- Hosting numerous campus events such as the Brick City Festival/Stonehurst Regatta, the dedication of the Paley Sculpture and the Kodak Quad, the Tianjin University Visit with

PEN International, Field House Donor Event, Turf Field Dedication, the Celebration of Scholarship, and the First Ladies' Garden dedication.

- Hosting the Chase Corporate Challenge (10,000 runners and 10,000 guests) on the RIT campus, successfully navigating the challenges of traffic, parking, and tents for almost 400 sponsors.
- Planning for the hosting (in 2005) in the Gordon Field House and Activities Center of the inaugural (in this region) U.S. FIRST Robotic Competition, which features 30-40 teams from six or seven states and Canada. Each team is composed of high school students and professional engineers from sponsoring companies and government research agencies. Approximately 6,000 attendees are expected.
- Hosting other community events such as the Special Olympics Track and Field competition, the Juvenile Diabetes Walk, and the Peace Conference.
- Organizing 21 Liberty Hill Breakfast Series events engaging 880 guests. Over the past 12 years, 235 breakfasts have brought together 8,606 participants from across the RIT, Rochester, national, and international communities.
- Introducing CBS anchor John Roberts to the RIT campus. Mr. Roberts taped a Commencement welcome to the Class of 2004.

Information and Technology Services

If ITS does its job, you never know it exists. If it fails in any area, it can be a headline. We have had no major headlines.

However, behind the scenes, ITS is dealing effectively with issues of computer security, viruses, worms, and spam; it is installing firewalls and a never-ending program of antivirus protection.

ITS has signed an agreement with CDigix to offer digital entertainment to students, thereby avoiding the temptation of illegal peer-to-peer file sharing of music and films.

In addition, ITS introduced new directory, e-mail, and calendar systems, along with new programs to assist student admissions and registration. ITS sponsored two dozen seminars and workshops, along with newsletters and articles, to keep the RIT community up-to-date.

ITS has an active program of self-assessment. For example, on a scale of 1 (very satisfied) to 5 (very dissatisfied), students rate ITS 2.2, faculty rate ITS 1.9, and staff rate ITS 1.8. Given a tight budget, the complex nature of the ITS environment, and the high expectations of users, these are strong results.

Personnel

We completed the search for a new Vice President for NTID. After a national search by a fully representative blue-ribbon committee, Dr. Alan Hurwitz was appointed. Alan has been a member of the NTID community since 1970.

ISSUES

I shall discuss four issues: diversity; student retention; student satisfaction; and budget, retention, and a great university.

Diversity

Our strong momentum on diversity continues. For example,

- In each of the past two years, the percentage of faculty hired who were of African American, Latino American, or Native American (AALANA) background was 31%. This year the percentage was 26%. Given that the national percentage of AALANA faculty in the disciplines in which we recruit is 6%, these are outstanding results.
- In last year's Annual Report, I reported that the leading Hispanic journal in higher education, *The Hispanic Outlook in Higher Education*, featured RIT as its cover article ("RIT: Determined Pursuit of Diversity") as the national role model for minority faculty recruiting. This year, *Black Issues in Higher Education*, the leading journal for African Americans in higher education, also featured RIT as its cover story ("Mission Impossible"). I was invited to speak at the Black Issues in Higher Education's 20th Anniversary Conference and Celebration on the RIT model. Because of a scheduling conflict, Jim Watters made the presentation.
- "Suggestion boxes" were created. They will be posted in the fall in the Student Alumni union and Gracie's to gain anonymous feedback from the RIT Community pertaining to community, inclusion, and other diversity related ideas.
- Two awards were established:
 - Two Isaac Jordan Scholarship Awards to two students who will serve on the Commission for Promoting Pluralism in 2004-2005.
 - The Isaac Jordan Pluralism Award, to be presented to a member of the faculty or staff.
- Program innovations include:
 - A Campus Week of Dialogue (October 27 – 31, 2003) had as its theme: "Deaf, Hard-of-Hearing, and Hearing Diversity".
 - A Martin Luther King Celebration (January 15, 2004) had Dr. Alvin Poussaint as its keynote speaker.

- An Expressions of Diversity Week (March 29 – April 2, 2004) enrolled 1600 participants in 32 workshops/presentations and created a website registration process that ranked third at RIT for the most visits during this time period.
- A Thomas Jefferson Middle School Career Conference (May 6, 2004) attracted 150 students with 70 RIT faculty, staff and students participating as counselors.
- A Diversity Trailblazers Project (in conjunction with the 175th Anniversary of RIT) is being developed to honor the accomplishments of some of the people who, through their initiatives, have helped make RIT a place where differences are respected and celebrated.
- The RIT Center for Professional Development provided a program by WorkSmart on “Building an Inclusive Campus Community” that was attended by many staff and faculty.
- A Partnerships in Pluralism program was initiated in which 34 pairs of RIT faculty, staff, and students were formed as part of a year-long program to promote diversity understanding. One member of each pair was an AALANA individual. Individual, cluster (several pairs working together), and overall group activities were undertaken. Gladys Santiago (this year’s Minett Professor, Vice Chair of City Council, Senior Vice President of the IBERO American Action League, and my partner in Mayor Johnson’s Biracial Partnering Program last year) took a leading role in this effort.
- The results of last year’s major Campus Climate Study, conducted by the Center for Governmental Research, are still being analyzed by an ad hoc campus committee. Since some of the results are critical of certain elements of the campus, questions of methodology are being raised. The chair of the Committee, Joseph Voelkel, is one of RIT’s best statisticians, and I asked him to deal directly with the methodology issue.

Issues of affirmative action and discrimination remain national as well as RIT concerns. Over the past several years, I have emphasized AALANA recruiting and retention of faculty, staff, and students because I believed this to be the most important and complex aspect of diversity for RIT. In the coming year, more attention will be given to women’s issues and to issues of sexual orientation. The former issue is well known and discussed. The latter issue, particularly with regard to transgender aspects of sexual orientation, is beginning to emerge at RIT and other colleges across the country and we will stay abreast of it.

Student Retention

As you know, I have not been pleased with our results on student retention. It has been talked about and studied for 20 years at RIT (including by me over the past several years), with negligible results. Accordingly, I created the new position of Acting Vice President for Student Retention and appointed Kit Mayberry to fill it. Her charge was to study absolutely nothing and to take action on “everything that moved”. She had the benefit of a Vice Presidential/Deans

committee that I had appointed the year before to develop aggressive action and policy recommendations.

The following actions have been taken during this year:

- **Learning Communities** – In September 2004, 14 Learning Communities (LC's) will be launched for AY 2004-05. Learning Communities consist of student cohorts of 20-30 who take at least half of their course load together over the course of a year. The teaching method is highly interactive and team-based; course curricula are often integrated. Retention and student success results of LC's have been dramatic at many institutions. Attachment 1 at the end of this address is a copy of an informal memo that Ed Hensel, Chair of the Mechanical Engineering Department, prepared for Kit Mayberry. It is an outstanding example of how learning communities can be implemented. Thank you, Ed, and please forgive me for sharing your memo.
- **Degree Audit** – Degree Audit is a computer program used by students and advisors to ensure that students are moving as expeditiously as possible toward degree completion. An automated degree audit system was purchased from Sun Guard in April 2004. The system will be loaded by the vendor June-September (projected) and fine-tuned by us in September-December. It will be at least partially operational in early 2005.
- **Early Alert System** – Early Alert is a web-based system allowing faculty to notify students and their advisors electronically about students' early progress in their courses. *Early* alert is critical if students and faculty are to address challenges in time to affect final course grades. Key modifications were made to this system in early spring 2004 which allow tracking of alerts and assessment of effectiveness. Faculty utilization of Early Alert has been made mandatory. First assessment of effectiveness was initiated in summer of 2004.
- **Demand Capturing Registration** – Based upon a student survey regarding registration difficulties, the Registrar and ITS developed an electronic means to capture course demand *before* students actually register for the next quarter. This allows departments to modify course scheduling and advisors to address student difficulties well in advance of the quarter's beginning. The system became fully operational in March.
- **Year-long course schedules** – Students are now able to see course schedules a full year out (as opposed to a quarter out). This makes it much easier for them to determine what their course needs will be and for departments to adjust schedules accordingly.
- **New Student Information System interface (SIS)** – ITS and the Registrar are completely re-designing SIS, to make it more student-friendly and to accommodate Degree Audit capability and changes in course scheduling and registration cited above.
- **Re-calculation of grade point averages** – A new method averages only grades of courses required for graduation. Students began filing for re-calculations May of 2004. New GPA's will go into effect Fall 2004.

- **Advising evaluations** – All colleges will develop student evaluations for faculty and staff advisors. Results of these evaluations will be used in annual reviews, plans of work, merit increases, and tenure and promotion consideration. As of June 2, Liberal Arts, Engineering, and CAST had completed their evaluation instruments.
- **Withdrawal Advising** – Any student withdrawing from a course at any time in the quarter must have an advisor signature. This is to ensure that an advisor discusses with every student the implications of the W in terms of timely completion of degree.
- **Flexible curricula** – All eight colleges have submitted curricular models to the Provost that increase the number of free electives in all academic programs. Changes to program curricula will be fully implemented September 2005. This summer, the Deans and Provost's Office designed a model for dual majors, which is available to students during academic year 2004-05.
- **Office for Internal Transfer** – A new position was created in the Office of Acting VP for Student Retention dedicated to facilitating the internal transfer process for all RIT students. During the summer of 2004, the Internal Transfer Advisor contacted all students enrolled spring 2004 but not registered for fall 2004, with the goal of addressing as many attrition-related problems as possible.
- **Administration of National Survey of Student Engagement (NSSE)** – NSSE is a relatively new, highly respected survey instrument measuring degree of student engagement in academic activities. The results of NSSE strongly correlate with institutional retention figures and provide considerable guidance regarding necessary changes in such areas as teaching methods and curriculum design. NSSE has been ordered and will be administered 2004-05.

The goal of the above actions is to reduce first year attrition by at least 50%, which will bring graduation rates into the 75% - 90% range (from its current 60% level). This is an ambitious goal. I will not be satisfied until we reach it. We cannot be a “great” or “Category-of-One University” without achieving this goal.

Student Satisfaction

How satisfied are students at RIT? Evidence of this is provided by the Noel-Levitz Student Satisfaction Inventory. Noel-Levitz is a national firm that undertakes a comprehensive survey of students from universities across the country. Noel-Levitz has been doing this survey for many years and is regarded as a national leader among organizations providing information about student satisfaction. For benchmark purposes, the survey compares our current results (spring 2004) with the same questions raised with students in spring 2002, so that we can track progress. Noel-Levitz also groups universities that we select (our benchmark universities) and compares our results with theirs.

We conduct a survey every couple of years. This year, 1,313 students took the survey.

Noel-Levitz asks 100 questions and combines them under 12 categories. These categories, in order of importance for RIT students, are:

1. Instructional effectiveness
2. Academic advising
3. Safety and security
4. Student centeredness
5. Campus climate
6. Registration effectiveness
7. Recruitment and financial aid
8. Concern for the individual
9. Service excellence
10. Campus support services
11. Campus life
12. Responsiveness to diverse populations

Every category shows improvement in student satisfaction from 2002 to 2004. Clearly, we are on the right track. We are doing some things right.

Most importantly, of the 100 questions asked, the greatest improvement in student satisfaction was shown in responses to the question: “This institution shows concern for students as individuals”.

However, I do not want to create the wrong impression. While we have shown an improvement in every category, and while some of the most important questions show significant improvement in student satisfaction, the difference between the importance that students attach to items and their satisfaction with those items represents a gap that must be closed. There is significant work to be done in closing these “performance” gaps. Interestingly, of the 12 categories, the smallest gap (there is a gap between importance and satisfaction in each of these 12 categories) is for “campus support services”. The second lowest gap is in “campus life”.

We also compared RIT student satisfaction against the average of seven benchmark universities that participated in the Noel-Levitz 1999 study. These universities are University of Vermont, Purdue, Northeastern, Iowa State, State University of New York at Buffalo, Clarkson, and the Illinois Institute of Technology.

RIT was better than the benchmark schools in 9 of the 12 student satisfaction categories. The biggest advantage RIT had over the benchmark universities was in the two categories “Safety and Security” and “Campus Support Services”. The second largest advantage RIT had was in “Responsiveness to Diverse Populations”. The third largest advantage was in “Instructional Effectiveness”. The three areas in which RIT did not meet the benchmark average were “Student Centeredness” (we improved significantly but still are below the benchmark), “Registration Effectiveness” (we have made major improvements recently – after the survey was taken – with our new Registrar, Joe Loffredo), and “Academic Advising” (are close to benchmark).

Budget, Retention, and a Great University

On January 7, 2004, I sent a memo to the campus indicating that no hires could be made (replacement or new) among faculty or staff unless I personally signed off on them. I indicated I

would only sign off on an exceptional basis. In fact, I did sign-off on a few that were critical. I indicated that additional hiring could occur beginning July 1, 2004, according to our normal process. I also mandated that no expenditures could be made from discretionary funds until July 1 and that equipment purchases would be reduced by 10% from the budgeted amount. The reason for this was not because of a cash flow problem, but because of a financial reporting situation caused by the failure to meet the enrollment projections described in the first section of this address.

I followed the above memo with another memo on January 19, 2004, saying that salary increases, from a 2% salary pool, would not be officially authorized until October 1, 2004. Since salary increases typically go into effect on July 1, this would mean that cash awards on an annual basis would be 25% (three months) less than the 2% increment planned for October 1, although the salary base would be raised by 2% for subsequent years.

Again, I alerted the campus that the reason for this action was the failure to meet enrollment targets. From now on, salary increment determinations will not be made until October 1, at which time we will know for certain what our enrollment numbers are. Since we are a tuition-driven university, rather than guess what our enrollment (and, therefore, tuition income) would be and then adjust accordingly in mid-year if we did not make projections, we would simply not make those salary decisions until we have the enrollment numbers. This is logical because payroll is by far the biggest component of our overall budget; since the budget is tuition-driven, we should not make our salary increment decisions until we know what the enrollment is. Of course, we have been awarding salary increments on July 1 every year in the past and have had to make mid-year budget adjustments – based on failure to meet enrollment targets – only rarely (because we have established contingency funds for this purpose, and because we typically do not authorize the full expenditures of our equipment budget until we know what our enrollment numbers are). However, I believe the October 1 salary-confirmation decision is a better fiscal management procedure.

Having said this, there was a second reason for my making this decision. I have been trying to get the campus's attention on student retention for the past several years. I started out with rhetoric – strong statements made in my Opening Day Addresses and in other memoranda; emphasis in formal addresses to colleges and faculty as a whole; introduction of specific discussions of the issue at the Academic Senate and other meetings. The rhetoric – written and verbal – did not move the numbers. In fact, the retention rate at RIT has been constant for more than 20 years. I cannot accept that number as consistent with our goals for this university. A number of programs have been instituted to improve student retention (including creating the new position of Acting Vice President for Student Retention).

By making explicit the fact that salary increases would not be authorized until we know what enrollment is emphasizes to everyone in clear-cut terms how important enrollment is for their own individual welfare. A 1% or 2% increase in retention would have more than made up for the shortfall in projected new enrollment. Interestingly, the discussion around student retention has picked up significantly since my unpopular and criticized (by some) decision to implement an October salary decision date. I am convinced that, while we have introduced new student retention processes, procedures, and programs, the fundamental difference will be made by a

change in the attitude of many of our faculty and staff in how they view and interact with students. My paper “Category-of-One University” speaks directly and emphatically to the importance of understanding and serving our students.

Finally, while I have tied student retention to salary increases, that is not my main reason for pushing for an increase in student retention. My number one reason is that we have an obligation to students and their parents to assure students’ graduation at RIT if they work hard. We turn down thousands of students every year for admission to RIT. We turn down hundreds of students each year for specific programs, recommending other programs at RIT. When we do admit a student, we believe – after a thorough analysis of their file and portfolio – that if they work hard, they have the ability to graduate from the program to which they are admitted. Once in a while we may make an error and admit someone who is not prepared. Sometimes, students do not choose to work at the intensity level required by an RIT education and they leave. Sometimes personal circumstances require that they leave or they change their mind as to their major field of study and then they leave. In my judgment, the sum total of these rationales should be no more than 10% or 12 %. The fact that we are significantly above that tells me that RIT is not meeting its obligation to all of its students and parents. From my point of view, it is a matter of ethics – we are not working as hard or as smart as we need to on behalf of the students we admit.

I am committed to significantly enhancing our student retention and graduation rates. We will vigorously pursue that goal through new programs and procedures. More importantly, I believe, we must raise the awareness and change the attitude of many faculty and staff towards their professional obligation and critical role in improving student retention. I believe this is where the fundamental opportunity to improve retention lies. This also is the toughest hill to climb.

We are not talking about lowering standards or coddling students. We are talking about some faculty and staff changing the way they do things and adjusting to the needs of students, rather than expecting students to adjust to the way the faculty have been doing and want to continue to do things. There are some who say if we just increase the quality of our overall student body or if we move from a quarter to a semester system, we will solve the problem. While I believe these moves would certainly make the retention goal easier, by themselves they are not the cause of the retention challenge. The right people working in the right way with the students we now have can meet this challenge. That is my message and I am pulling out all the stops to reach the goal.

OPPORTUNITIES

I briefly shall describe several opportunities for the year ahead.

Strategic Plan Implementation

More than 300 faculty, staff, students, alumni, and trustees worked diligently as members of task forces and steering committees over the period of a year to develop RIT's road map for the next ten years. Many others provided input through campus forums, group meetings, and individual feedback. The campus's key constituencies own this plan and will be responsible for implementing it going forward.

I want to take this opportunity to most sincerely thank all of you who helped to shape and write this plan.

The Strategic Plan for 2005-2015 was approved by the Board on July 15, 2004. An Agenda for Action Committee will work with priorities presented to it by the Administrative Council after consultation with the Board's Executive Committee. The Agenda for Action Committee will construct time lines and time sequences for action, identify the loci of responsibility, estimate required resources, and monitor progress. Its work (except for monitoring) will be completed and approved by the Administrative Council by January 15, 2005.

A branding consultant will be selected by Fall 2004. I will seek the Board's counsel before this selection is made. Special task forces are being formed to deal with Branding, Women's Issues, Global Strategy, and Educational Outreach.

Capital Campaign

The Campaign volunteers, especially trustee volunteers, have been outstanding. The Division of Development and Alumni Relations is working hard as it targets the completion of the \$300 million campaign by 2006.

Along the way, the Division is building organization, personnel, structure, and processes which will form the platform for ongoing development activities in the years ahead, as well as pave the way for the next Capital Campaign.

Alumni Relations

Following up on the previous discussion, Alumni Relations has a long way to go as well. The national average for percent participation of alumni is 17%. We are at 11%. However, we came from a participation base that was 6% or 7%.

Under the leadership of Kelly Redder, Alumni Relations is making marked improvement. Programs are being developed and implemented almost faster than we have personnel to staff them. "Friend-raising" leads to "fundraising", and this connection is now being made.

Capital Projects

We have been working diligently on the design of several new facilities that will advance our academic and research capacity and reputation. This year we expect to break ground on the Information Technology Collaboratory (\$7.4 million). Within this year, we expect to seek Board approval for the Gleason College of Engineering addition (\$5.8 million), and the Center for Biotechnology Education and Training (\$12 million). In 2006, we are planning to bring to the Board the introduction of a new facility for the College of Applied Science and Technology (\$8 million). The sources of the funding have been the State of New York, charitable foundations, and RIT funds set aside for these purposes in the past and built into future budget plans.

Expectations of Faculty

Some of the faculty have said that I have been hard on them, and some of these have said that I have been unduly hard. They say whenever something does not go the way I want – e.g., diversity hiring or student retention – I come down strongly on the faculty and “blame them for everything”. Some faculty say I “blame the many for the actions of the few”. There may be some truth to this.

I often say the university is “for the students”. I also say it is “by the faculty”. The quality of so much of what we do depends on the effort and performance of the faculty. While I try to look at the entire picture – including finances, organization, externalities, myself, and my team – I do tend to look to the faculty first. We have many terrific faculty. Some are outstanding teachers, some are outstanding researchers, and some are outstanding student advisors and mentors. Some are all of the above. Nonetheless, all faculty can improve, and some need more improvement than others.

In general, we are engaging in a culture change at RIT. I believe we have been significantly but not completely successful. I believe that “shared governance” and “collegiality” mean that the faculty have to work with the deans, the Provost, and me to change behavior when that is necessary to support students or further the progress of the university.

I look forward to working with the faculty, deans, and Provost in the year ahead in introducing appropriate change.

175th Anniversary Events

I would like to highlight three upcoming 175th Anniversary Events. The first is the Community Service Day, which we call ROCS (“RIT Reaching Out for Community Service”), scheduled for September 18. Please participate. Details are on the anniversary website.

The second is the special Rochester Philharmonic Orchestra Concert that is being held on October 21 leading into our annual Brick City Festival. My sincere thanks go out to Al Davis for bringing the RPO to the campus.

The third is the documentary that is being co-produced by RIT and WXXI. It will be dedicated to the faculty and staff of RIT, past and present. The documentary will be premiered at the November Board of Trustees meeting, with two special viewings provided for members of

the RIT community. Malcolm Spaul is the director, engaging his film and animation students in the production. David Cronister and Bob Finnerty are the executive producers.

The many other Anniversary events are referenced in the flyer that you can pick up as you leave.

ETHICAL LEADERSHIP

I have always had an interest in and commitment to organizational ethics. Let me reminisce a bit and cite some examples.

In the late 1970's, while Dean of the College of Business at the University of Cincinnati, I wanted to introduce a course in Business Ethics into the curriculum. I asked a tenured associate professor of philosophy in the College of Arts and Sciences if he would offer such a course. There was resistance by his Philosophy Department colleagues ("Why would you want to abandon the 'mother discipline' for applied work?") and the College of Business faculty ("What does he know about business, management, and organizations?"). We agreed that to gain credibility with the business faculty and demonstrate resolve to the philosophy faculty, he would take a sabbatical leave and complete a two-year MBA in one year. He even agreed (although reluctantly; after all, he had a Ph.D. from an Ivy League school) to take the GMAT (Graduate Management Admissions Test) like all other students. As it turned out, he had an almost perfect score on the GMAT, completed his MBA with straight A's, formed lasting friendships with the business faculty he had in class, and eventually offered a terrific ethics course.

While at the University of Hawaii, I was asked to keynote a celebration banquet for the valedictorians, salutatorians, parents, teachers, and principals of all the high schools in the State of Hawaii. I chose as my topic the critical role of ethical behavior in defining their future life paths.

While at RIT, I have given a similar talk at the honors students banquet at Fairport High School, encouraged the ethics-across-the-curriculum initiative spelled out in the Strategic Plan 1994-2004, and offered a two-hour seminar on ethics for each of the past twelve years in the Executive MBA program.

With this context in mind, it should come as no surprise when I state that RIT must have a culture rooted in ethical behavior if it is to successfully face the issues and take full advantage of the opportunities discussed in this address. Ethical behavior must be present always in the thinking and actions of our trustees, faculty, staff, and – because of their example – our students. Such behavior will facilitate communication, understanding, accountability, and trust across the university.

How do we achieve organizational ethics? It starts with the individual.

Individually, throughout the university each person with leadership responsibilities must be perceived as *both* a strong "moral person" and a strong "moral manager". A moral person is

honest, trustworthy, fair, and of good character. A moral manager not only leads by example, but also informs direct reports about ethical expectations and holds them accountable for their ethical behavior.

Figure 1 describes this relationship. The ethical leader (upper right hand box) is a strong moral person and a strong moral manager. The unethical leader (lower left hand box) is weak on both dimensions. The hypocritical leader (upper left hand box) preaches ethics but exhibits unethical conduct himself/herself and encourages others (explicitly or implicitly) to behave unethically. Finally (in the lower right hand box), we have the laissez faire leader who exhibits ethical behavior but is silent about the ethical expectations of his/her subordinates.

All of us with leadership responsibilities at RIT must strive for ethical leadership. Such leadership is the sine qua non for the ultimate success of our Strategic Plan.

		MORAL PERSON	
		Weak	Strong
MORAL MANAGER	Strong	Hypocritical Leader	Ethical Leader
	Weak	Unethical Leader	Laissez Faire Leader

Figure 1 *

* Adapted from Trevino, Hartman, and Brown, “Moral Person and Moral Manager: How Executives Develop a Reputation for Ethical Leadership”, *California Management Review*, 2000, Vol. 42, No. 4, pp. 128-142; and Trevino and Brown, “Managing to be Ethical: Debunking Five Business Ethics Myths”, *Academy of Management Executive*, May 2004, Vol. 18, No. 2, pp. 69-83.

LOOKING AHEAD

RIT is now about to begin a ten-year journey that will take it through the year 2015. I have not talked a lot about that journey in this address because recently you received copies of the RIT Strategic Plan for 2005-2015, “Category of One University: Uniquely Blending Academic Programs with Experiential Learning for Student Success”. You also received copies of the Primer for the Strategic Plan. As these documents occupy a prominent position on your desk for daily reference over the next ten years, they will become the roadmaps for RIT’s next journey into the future.

This journey will be challenging, taxing, exciting, and rewarding.

The Strategic Plan identifies leadership as one of the key conditions for the successful implementation of the Plan. The Plan calls for this leadership to be “bold, thoughtful, and creative”. The Plan points out that this leadership must emanate from trustees, the president and his/her administrative team, deans and division managers, academic and non-academic department heads, faculty, staff, and students. In this address, I have added the indispensable attribute of ethical behavior to the list of required leadership traits.

In boldface on the last page of the Primer is the statement:

“In the end, RIT students succeed because RIT blends experiential learning into its academic programs in a comprehensive and innovative fashion that no other university can match, and because at all times, RIT holds the educational welfare of its students above all else”.

Working together in holistic fashion over this next ten-year journey, we can bring success to RIT students, making the above statement a defining truth for RIT for all time.

I want genuinely to thank RIT trustees, my administrative team, faculty, staff, and students for working every day for RIT, for developing and endorsing our new and ambitious Strategic Plan and, especially, for exercising the leadership required to implement the Plan.

I look ahead to meeting the coming year’s challenges together and to having another great year.

Attachment 1

Memo from Ed Hensel, Chair, Department of Mechanical Engineering, on Learning Communities

“We have achieved class schedule coordination between all learning community professors, so that we can achieve load balancing for the students. We have agreed to a master schedule for exams, major papers, and other events during the quarter, to condition the students for an increasing workload as time progresses. The fall plan is presented in the table at the bottom of this email.

We have established a bi-weekly luncheon series amongst the learning community professors, so that we can update one another on student issues, and discuss logistics, for real-time continuous improvement. The ME department will host the informal luncheons for the instructors.

The team has met on their own time, during the summer, and is very enthusiastic about our opportunities to have a positive impact on the students. All team members have been very supportive, and Joli Blaha has done a great job at coordination. I have to thank them for their support.

We have developed a customized curriculum for FYE, to include ethical discussions around engineering applications, etc. Harvey Palmer has agreed to adopt this revised curriculum for all KGCOE FYE sections immediately, since it is quite clear that the LC community developments are a step in the right direction.

The Math professors will recommend readings for use in the Writing and Literature classes. The W&L I classes will use these readings as the subject for at least one paper in their course.

Liberal Arts will supply copies of the “House of Sand and Fog” to the other profs in our learning community, and we have all agreed to read the book for common background with the students.

I will provide copies of “The Goal” by Eli Goldratt to all members of the ME-LC professoriate, and that novel will be used as a reading in Writing and Literature II. This novel has many engineering, social, and family aspects to it.

The FYE and Freshman Seminar classes for ME-LC1 and ME-LC2 have been scheduled back-to-back, in the same room. They will be tightly coupled.

Jolie Blaha will spend two days physically located in the ME office (Tuesday, Thursday) weekly, to reinforce the connection to the department. We will provide office, computer, etc. support.

Immediate Plans: Joli Blaha will be training KGCOE learning community instructors this Thursday. Harvey Palmer will greet the group, and I will provide an introduction to the KGCOE curriculum, and some of the examples of innovation we are doing in ME-LC1 and ME-LC2. Joli will then train the instructors on the KGCOE FYE curriculum.

All ME-LC professors are exchanging detailed syllabi, and we are looking for ways to provide a loose coupling between sections, and material coverage, in a way that is sustainable if this were rolled out to a larger scale.”