



Patrick F. Leahy

Spring Convocation | January 21, 2016

Good morning, everyone, and welcome. I'm delighted to have all of you here for our spring convocation, despite the fact that it does not feel much like spring outside. I'm particularly pleased to have here this morning my beautiful wife, Amy. She, too, wants to know what's going on at Wilkes I guess.

I know this is an extremely busy time of the semester, but I hope you will allow us to continue this tradition. It remains an opportunity for us to gather together before the start of the traditional spring semester as an attempt to continue to enhance our communication with each other.

I would like to deliver my remarks in the following parts. First, I want to share with you a little bit of what I consider to be the context in which we find ourselves in American higher education. Then, I want to organize my remarks around three questions: What are we doing about these challenges? How are we going about it? And, why are we doing it? And, then, of course, I will take your questions or comments at the end.

Let me start with a little bit of context. These continue to be troubling times in American higher education. You don't have to read the trade press or even the general press very long before you'll find yet the latest commentary about how challenging American higher education is right now. I agree that it is a challenging time in American higher education, and I'd like to take a minute to share with you why I think that is the case.

It's pretty clear that most colleges and universities across this country are enrollment dependent. You can't operate a college or university without students. One, it allows you to live out your mission. And, two, let's be honest, students help to pay the bills. There are only a handful of schools around the country that aren't really focused on enrollment, and those are the ones with the largest endowments or the ones that receive the greatest amount of public support. But, most of us need to focus on enrollment.

The northeast part of the United States, as I've said many times before, is easily the most competitive market in the country for higher education. There are all kinds of schools in this region. In the state of Pennsylvania alone, as you well know, there are 90 private colleges and universities somewhat like Wilkes. Ninety! And that does not say anything about the 14 schools in the PASSHE system, all the branches of the Penn State system, the state-related institutions, and more. It is the most competitive market in the country. The wealthiest schools are here in the northeast. The ones with the best brands are here in the northeast. The most established schools are all here in the northeast. And all of them need students, too.

Now, add to this mix the fact that the number of traditional high school students who are going to be matriculating in college is decreasing in the northeast, by some estimates up to nine percent over the next 10 years.

So what happens? These colleges will do everything they can to enroll students. They will spend more money on amenities and benefits, raising costs. They will spend more money on marketing and enrollment, raising costs. They will spend more money, of course, giving more financial aid, raising costs. And despite this spending, what happens at a lot of institutions is one of two things. One, they either miss their class, or two, they blow up their discount rate in the process. Or three, both happen. And when this happens, it creates financial stress on the organization, financial stress that could lead to operating budget cuts, could lead to freezes in hiring, could lead to layoffs, and ultimately could lead to downgrades in the ratings by the ratings agencies. And then, of course, when that happens, it creates all kinds of organizational discord, organizational stress, even organizational distress.

Are you sufficiently depressed now?

This is what's happening in American higher education, in my opinion, and it is a very troubling time. In fact, I have said many times that until something radical changes, this is the new normal in which we find ourselves. One of my colleagues, another university president, said it to me this way not so long ago. He said: "Pat, this is not what I signed up for. I'm getting out."

So it is a challenging time in American higher education. But, I ask you also for a little perspective. These are challenging times, for sure, but remember that Wilkes University was founded as Bucknell University Junior College in 1933, in the midst of the Great Depression in our nation. What were our founders thinking, starting an educational institution during the greatest economic challenges in our history? Then it dawned on me that I went to an undergraduate institution that was founded in 1789, just a few years after our nation was born. What were Georgetown's founders thinking, starting an educational institution just years after our nation's founding? And then it really hit me. I had the great privilege of studying abroad as an undergraduate at a U.K. university, the University of St. Andrews, which was founded in 1413, years before our nation was even discovered.

My point is we need some perspective. Imagine the challenges that our institution over 80 years and other institutions over 225 years and even colleges and universities 600 years old have had to confront. So let's give ourselves a break here and realize that we too can persevere through these challenging times.

I'll leave it to Shakespeare to say it better. Recall that we will be remembering Shakespeare this semester in anticipation of the 400th anniversary of his death in April. Shakespeare said: "It's not in the stars to hold our destiny, but in ourselves." It's not in the stars to hold our destiny, but in ourselves.

If that's true, which I believe it is, I'd like to share with you what we are doing to achieve our destiny. We have a bold goal at Wilkes University. It's right here in our Gateway to the Future Strategic Plan. The first thing it says is: "To create one of the finest small universities in the country, as evidenced by independent, third-party ratings of our performance." That's what it says. We all agreed to it. But there are four parts to that statement I want to unpack for you: university, small, country, and third-party.

We aim to become a "university" in all of its splendor. If you think about it, 82 years ago, we were founded as a junior college and then some years later became a liberal arts college and then, in 1990, a university. I'm going to suggest that we are continuing our evolution to become a full-scale national,

research university. And what does that mean to be a university? It means you have a broad program mix in both the arts and the sciences, in both the liberal disciplines and the professional disciplines. You offer a mix of programs along bachelor's, master's, and doctoral programs, including an honors program. Universities have a broad mix of co-curricular activities to support the curricular activities: a full-scale athletics program, including football; a full-scale music program, including marching band; and many, many other kinds of clubs to support student activities.

Universities commit to scholarship and research, research and scholarship that allow our faculty members to make original contributions to knowledge in their fields and to create inventions that might actually become commercializable into products and services. And in every case, faculty members do research and conduct scholarship that aids their ability to teach in the classroom.

Universities have exquisite main campuses with first-class facilities, and if and where remote locations make sense, they offer those as well to serve students. Universities ambition for more national, indeed even international influence, without ever shedding their responsibility to their host communities. Universities, in my opinion, are in and of their host cities, not some ivory tower. We want to offer all the programs, activities, opportunities, enthusiasm, and excitement that you'd find at a large research university.

But we want to offer all of this in the "small," caring, mentoring environment that is more typically found at a liberal arts college. Individualized attention, opportunities for faculty and students to do research together, coaches to create lifelong relationships with their players—the kind of things that you'd find in a small, intimate environment. It's that combination that I believe is really unique.

Then you add the third part, which is "in the country." We want to have one of the finest small universities not just around here, not just in the state of Pennsylvania, but anywhere.

Finally, we want to be one of the finest small universities in the country, "as evidenced by third-party ratings of our performance." Why is that important? Because we might think that we have one of the great small universities in the country, but our opinion is not legitimate until others see it the way we see it, and we need to ambition for more independent third parties to look at Wilkes and say: "That is one of the great small universities in the country."

We are beginning to get good evidence of this. I know all of you know about The Economist ranking that came out. Let me just explain that for a minute if you haven't heard me say this before. The Economist is one of the most respected publications in the world. In fact, some people have said to me it's much more well-respected overseas than it is even here in the U.S. It's been continuously published since 1843, and for the first time in all that time, in the fall of 2015, they waded in to the whole college and university rankings game. They said heretofore there wasn't the information that they felt was necessary to assess how individual schools add economic value to their students; that is until the Obama administration released its score card. They ran a complicated metric, and as you all have heard they ranked American colleges and universities from 1 to 1,275, and Wilkes University was ranked 25th in the country. Twenty-fifth! In the country! Guess what the 26th school was: M.I.T. Who here has heard of M.I.T.?

Now again, you can argue all you want about whether the methodology made sense or not, but the bottom line is this: We've always said here at Wilkes that if third parties would look at the type of student

that we welcome here—50 percent first-generation, 40 percent Pell Grant grant—and they would look at how we work with them, develop their potential, and spawn them into successful careers; if they would look at that fairly, we would rank high. Guess what? The Economist looked at it that way, and we ranked really high. But, they're not the only ranking out there. There are plenty of others where we don't do so well. So, our ambition needs to be to continue to develop as a university so that everybody sees us as that fine "small university." To create one of the finest small universities in the country, as evidenced by independent, third-party ratings of our performance.

That's what we are doing. Let me share with you how we're going about that. Once again, I would call your attention to our strategic plan. It's right there, six themes that we carefully identified to focus on over a six-year period. There's been a ton of progress only a year and a half into our strategic plan. I'd like to just share with you a few items that have developed since we gathered last at the fall convocation, and I'll do this by each theme.

Theme One: Foster Excellence in Academic Programs. Evidence of our commitment to research and scholarship, we have that money put aside, and I was just told that through this open proposal period that we just had, we received 19 different proposals from across our faculty to do scholarship and research. That, coupled with the activity of our grants office, is going to help fuel the scholarship and research at this university. Make no mistake, and I said this to the faculty in the fall when I met with each of the different schools, \$1 million that we set aside does not meet our research ambition. It's to be seed money. That, coupled with going out and finding external grants, is going to get us the money that we need to do research.

As you recall, we separated out the school of nursing into its own independent school, the only school of nursing in this area. We announced in the fall the largest single gift we ever received here at Wilkes University to name the school of nursing the Passan School of Nursing.

We have a commitment to global diversity, and this fall we launched our Latin American and Caribbean strategic initiative. This is designed to find international students who want to come to the U.S. and to provide additional opportunities for students here that might want to study abroad. Our first cohort of Panamanian teachers is here on campus right now. I was in Atlanta just last week, traveled there with Anne and with Rosi, to meet with the vice president of the country of Panama. The vice president, who also serves as their minister of foreign affairs, signed a memorandum of understanding between her country and our University to pledge ways in which we might continue to work together to develop academic programming. They are pouring hundreds of millions of dollars into educating their citizens, many of which they want to send to American universities. So they have partnerships with schools maybe you've heard of: Penn, Georgetown, Northeastern, others, and now Wilkes. I am delighted with how quickly this strategic initiative is taking off.

We have aimed in our strategic plan to have distinction in our accreditation pursuits. Last fall, as all of you know, we had to submit our five-year periodic review report for Middle States, which is the five-year review that every institution that's accredited by Middle States has to submit. We got the results back in the fall. There were 37 schools across American higher education this fall that went through that review. Only 10 received basically the best news you could get, which is, you don't have any follow-up. Only 10 of 37. Wilkes University was one of the 10.

Let me say a word about remote locations. I continue to be bullish on the future of our Mesa operation. Why is that? Well, because in my opinion, an Arizona location offers a strategic opportunity for Wilkes. A strategic opportunity to find new students in a part of the country that is growing compared to a part of the country that is not growing. It also gives us opportunities for unique study-away opportunities for our students here in Pennsylvania. As Anne mentioned, there are 15 students across different programs out there this spring, and we think that's just the tip of the iceberg. It also provides a strategic opportunity for us in our Latin American and Caribbean initiative. So, even though we continue to lose money there, and it's taking us a little bit longer than we thought, I'd like us to continue to pursue that remote location, because it is strategic.

Which is more than I can say, to be quite candid, about the Poconos. The Poconos, in my opinion, does not offer a strategic opportunity in the way that Mesa does. Who here wants to study away at the Poconos? It's not a strategic initiative for us. We do not have a partner in the Poconos with which to work. So, I'm going to propose that throughout the course of this semester we unwind our operation in the Poconos. We will continue to have conversations with Northampton County Community College, in particular their Monroe campus, about the possibilities of collaborating more fully with them. We will continue those conversations, but I don't know when it's going to happen, I don't know how long it's going to take, I don't know how big it can be, I don't know how strategic it can be yet. So, instead of using that as an antidote for what I consider to be a problem in the Poconos, I'm going to suggest, with your permission, that we shut down the Poconos operation at some point this spring. Let's get out of those things that are not strategic to us, so we can focus on the things that we deem to be strategic.

Let me just proceed a little bit more quickly across our next themes. Theme Two: Invest in Our People. We now have a compensation plan to direct our efforts. For four straight years, we've been able to offer what I hope are at least decent increases to our faculty and staff salaries. We have faculty and staff recognition and development programs under development. In fact, Joe Housenick's been working with USAC about a staff recognition program which he's going to roll out soon. Anne is continuing to work with FAC about making sure that we have appropriate faculty recognition programs. And I might take it upon myself to identify some of my own recognition ideas that I think I will roll out at the Fall Convocation.

We continue our investments in public safety, one of our key components of our strategic plan, the next iteration of which will be taking all the training that our public safety staff has, sharing it with the administration, and then sharing it more widely with all of our faculty and staff so that if, God forbid, there's a problem on our campus, we are as prepared as we can be.

Theme Three: Recruit, Retain, Place and Graduate Students. I am pleased that we are continuing our expansion of our recruiting territories for the undergraduate population. I'm delighted to share with you right now that this year over last year our undergraduate applications are up 25 percent. Now let's be honest, a lot of that is the fact that we moved to the Common Application, so it's a lot easier for students to apply to schools. Fair enough. But our hope is that we get that many more students into the application mix, we accept those quality students, and then we get a chance to sell them on coming to Wilkes. In next year's budget, which is balanced already due to the good work of the budget committee, there's money allocated for additional marketing and enrollment efforts.

We have our retention and graduation task force up and running, which will get a lot more active this semester. In fact, in next year's budget, there's also money allocated for those retention and graduation efforts.

We're growing our graduate programming across all of our categories, in particular our online nursing programs. Some of you have heard that our online nursing program is partnering with an organization called HotChalk. Fifteen months ago, we didn't have any students enrolled in our online nursing program. This January we have 600 across the country, representing 25 different states across our country. This is very important because of the ways in which this diversifies our revenue streams as a university.

We continue to add extra-curricular activities. Next year we'll add men's volleyball to our suite of NCAA teams so that we might have 21 NCAA sports, aiding our recruiting and retention efforts.

And, of course, Anne talked about our positive activity over the winter during her introduction. This year, we at Wilkes developed a unique winter session, aimed at offering additional courses for interested students over the winter break. Our faculty answered the call for these courses, many of which were offered online to accommodate students. In total, 143 students enrolled in 15 courses. In the years ahead, we will continue to grow our winter session offerings as a way to serve students and grow revenue at an otherwise quiet time on campus, meeting more fully our goal of becoming a 12-month university.

Theme Four: Improve Our Financial Strength. For four straight years now, we have produced operating surpluses here at Wilkes. I don't remember the last time that happened. If we want a fifth this year, I'm going to be honest with you, we have some work to do. We need to find ways over the next four and a half or five months to be stingy with our resources so that we might also have a fifth straight operating surplus. Particularly important this year because Chip Prescott is going to go out and work with our finance committee of our board to see if we can't refinance our debt. That means that Standard and Poor's, who rates our bonds, is going to be looking that much more closely at Wilkes and our underlying financial strength. Yes, last year they reconfirmed our BBB stable rating; but they're going to scrutinize us even more this year. So, we have to be able to show them the willingness to have operating surpluses year in and year out.

As you know, we've developed the Founder's Gala. This will be the third one in June, and I'm delighted to share with you, if you don't already know, that Clayton and Theresa Karambelas will be just the third recipients of the President's Medal. Two people more committed to Wilkes I do not know. It will be quite a special day for us to be able to recognize their commitment to Wilkes at the Founder's Gala.

Theme Five: Strengthen Our Campus Infrastructure. We have a campus enhancement plan now in place, the first project of which was our Gateway project, which opened in the fall to rave reviews. In fact, such rave reviews that we've already gone back out to the state to show them how well we spend the grant money that they give us, and we've asked for another grant so that we might build a companion gateway across South Street. This project connects the heart of our campus, the Fenner Quad, to the southern part of our campus the way in which the current Gateway connects the heart of our campus with the eastern part of our campus. This in my opinion is the latest project, however small, that gets us toward what I have to believe is an 83-year-old dream here, an 83-year-old dream to create a traditional residential campus in the urban environment of Wilkes-Barre. So we'll continue to make those investments.

You've probably heard there have been investments to this building, maybe not very noticeable, but nonetheless key investments to this building, as well as key investments to the library. As you know, we've plowed money into then Barre Hall, now Michelini Hall, to save that building. When the contractors went in there, they told me: "We've got to be honest. We were that close to telling you this was a tear down." But, they saved it, and now it's the home of our honors students.

We renovated Capin Hall, as you saw, for financial aid and student services. We purchased 32 West South Street, renovated that building, and have successfully moved finance into it. This provides now the opportunity to tackle a bigger project, which is the total renovation and expansion of 141 South Main Street. 141 South Main Street will house two key assets for us. Number one: a new integrated media center to meet the dream of our communications department who said, "We have faculty and five co-curricular activities at six different locations on the campus. Wouldn't it be nice if we could be under one roof together at some point?" We'll be able to do that in the coming year or so.

And the western part of the building, around the back, will house our new, totally renovated Sordoni Art Gallery. We have made the decision as an administration while we are doing that work to actually expand the building along the back of that parking lot so that we can double the size of our Sordoni Art Gallery. Double the size! I consider this a bold investment in the arts at a time when the arts are under siege at a lot of educational institutions.

If you haven't already been to the only full-service Starbucks in town, I encourage you to pay a visit. And, then just next week we'll open up our brand new Neuro Training & Research Center, the kind of facility that is most typically found at first-class national universities.

Planning will continue in earnest for our engineering expansion, for renovation of Stark to aide our nursing and pharmacy programs, and also for renewal and expansion of our Ralston Athletics Complex.

And, lastly, Theme Six: Support Efforts at Redeveloping Downtown Wilkes-Barre. I'm delighted, as you probably have heard, that the SHINE program has launched successfully in Luzerne County. Right now 181 students are benefitting from that program. The Kirby Center continues to do its great work generating entrepreneurial activity downtown, and hopefully this year we can get to that \$1 million TAP grant that we received that will allow us to rebuild all the sidewalks up and down South Franklin and South Streets.

These are just some of the many advancements embedded directly in our strategic plan that we have achieved just over the last few months. I should say too that I'm proud that, this past fall, the Mayor's Cup found itself safely back in the hands of Wilkes University. If you don't know what the Mayor's Cup is, then please see me following this address.

We are making very good progress. Here's what I think we need to do next. We need to do something to keep up the energy over the next four and a half years of our strategic plan. So, I'm going to suggest that we need to ramp up for a major campaign over the next few years – not just a capital campaign, but a major, University-wide effort to lift all aspects of our University. A campaign, in my opinion, that will have three parts.

The first is to look internally. We need to look internally and ask ourselves: Are we meeting our full potential as a university? Are we serving students the way we say we serve students? What can each of us do to improve the way in which we serve our students? I'll ask each of the division heads and all of the deans to look at their own respective areas and look for ways in which quality can be improved.

Next, we must look externally. That is, we need to ask ourselves: Are we positioning ourselves to our external constituents as well as possible, in particular, of course, prospective students and their families? What do we need to do to burnish our reputation, to get the word out about this unique institution called Wilkes University to a wider audience? To do that, we will hire a first-class firm to work with us over the next four years to burnish our image. And, we are making investments in our in-house printing capabilities that will greatly enhance our publications and other print materials.

And number three, of course, we will raise money, I hope unprecedented amounts of money from external constituents. We need to ask: Who out there wants to help us reach our ambition? That's what we'll be looking for. This will be the largest, most comprehensive campaign that we've ever launched here at Wilkes, many early gifts of which have already been secured.

To lead this effort, we went out and recruited, and subsequently hired, Tom MacKinnon as our new vice president for advancement. Tom is a veteran of just these kinds of campaigns, having worked on some 20 campaigns like this across a whole variety of non-profits in his career, including a \$130 million effort at the University of Scranton. I'd like to have Tom stand so that we might recognize him and welcome him here to Wilkes.

This is how, in my opinion, we will create one of the finest small universities in the country, as evidenced by independent, third-party ratings of our performance.

Let me just end with why we are doing all this. Why do we care about creating the finest small university in the country? Well, I think, for a few reasons. Number one: We have to be more distinctive. As some of you know, I teach in the business school in the springtime. I teach a strategy course and we spend a lot of time on a guy by the name of Michael Porter, the leading business strategist of our day. And, he says very simply: "aim to be unique, not best." Everybody is trying to be the best. What you want to be is the most unique. We offer the opportunities of a large research university in the culture of a liberal arts college. That is unique! And, in my opinion, distinctive.

In the process, I believe, we will become more competitive. We have to be. We have no choice. As I mentioned at the beginning, it's a very competitive environment. We want to be able to better attract students in our core market and have the audacity to think that we might recruit up-market. I want to recruit those kids that are looking at Franklin and Marshall. I want to recruit kids who are looking at Gettysburg. I want to compete for those kids because if they can look at Wilkes the same way they look at Franklin and Marshall or Gettysburg, we're going to have advantages that those other institutions can't touch, either price advantages or breadth of programs advantages. Let's have the audacity to recruit up-market. We need to be more competitive.

If we can do that, we will build more scale here at Wilkes. We need, as I mentioned, to grow and diversify our revenue streams to inoculate us against variation in any one of our sectors. That's what being a full, national university allows. Now don't mistake me. I've said many times, I don't want to change the nature of a Wilkes education. All I want to do is offer our unique brand of education to more students. When we do, we can develop our university. We can build out our campus in ways that we can't now. I believe it's the smallest schools that are at the greatest risk in this hyper-competitive environment.

And, finally, and most importantly, if we can become more distinctive and more competitive and grow our scale a little bit, it will allow us to have more impact. Isn't that what we want to do? We've all chosen to work in a not-for-profit organization, hopefully because we believe we want to have an impact. And, if we can grow our scale, we'll be able to serve more students, students that we believe could stand to benefit from our unique and distinctive brand of education. If we could grow more scale, we could have more faculty making more original contributions to knowledge. We could have more faculty creating actual inventions that we might commercialize into products and services. And in the process, we become an even more important part of Wilkes-Barre, NEPA, the state of Pennsylvania, increasingly our country, and perhaps even the world.

Remember what our founding president said: "We would be a private institution with a public purpose." We want to have more impact. So if we can be more distinctive and more competitive then we can build more scale and have more impact. That's why, I think, we are doing what we are doing.

That is, in my opinion, what we're doing, how we're doing it, and why we're doing it. It's not in the stars to hold our destiny, but in ourselves. I believe, from the bottom of my heart, that if all of us continue to work together, we will be able to achieve that destiny. I want to thank you for all the ways in which you support Wilkes University.