MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Board of Trustees   **Date:** July 25, 2018

Title: Forum on Reimagining Higher Education

Purpose (check one):

☐	Proposed New Policy or Amendment to Existing Policy	☐	Approvals Required by Policy	☐	Other Approvals
☐	Monitoring / Compliance	☒	Information		

Brief Description:

Discussion regarding the Forum on Reimagining Higher Education.

Scheduled Presenter(s):
Michael Vekich, Chair, Board of Trustees
Devinder Malhotra, Chancellor, Minnesota State

**THE NATION'S MOST INNOVATIVE HIGHER EDUCATION SYSTEM
REIMAGINING MINNESOTA STATE**

Thriving in an Era of Disruption: A Case for Change

Nationally the value of public higher education is being debated. Where higher education was once seen as the best pathway to economic and social mobility, those students and families who have the most to gain from the completion of a post-secondary credential are questioning its value. Employers report that colleges and universities are not delivering the kinds of credentials and number of graduates the nation is asking for. Technology is changing how individuals are acquiring information and revolutionizing the process of teaching and learning. Many believe higher education's business model is unsustainable, and overall performance is under scrutiny by influential segments of the general public. The call is for public higher education to change, or else risk descending into mediocrity and irrelevance.

In an industrial economy a case could be made, through public budgetary policies, to reduce the cost of physical capital. In today's knowledge economy, *state investment* in human capital and in the education, training and development of the workforce of today and tomorrow is a strategic requirement.

But additional investment is not enough. In an advanced economy where knowledge is the strategic resource, where new technologies and artificial intelligence are changing the nature of learning and work, and where new Americans, first generation, and non-traditional and adult learners represent the majority of our student body, colleges, universities, and higher education systems must rethink their approach to leadership and modes of operation.

Higher education has not faced such significant challenges since the close of World War II when it was tasked with serving millions of returning GIs. As was the case during the last major disruption, the challenges of today and tomorrow cannot be addressed through normal processes and the status quo.

It will require an approach to innovation and strategy development that is more continuous than periodic and that is more emergent than planned. Development and execution will require new working relationships and synergies within and outside the Minnesota State system. It will require an openness not only to experimentation and risk-taking, but also to transparency and communication that conveys immediacy and urgency, and a high level of accountability for results.

Minnesota State has been a leader during two of the three great eras of change in American higher education. The technical colleges, community colleges and state universities grew dramatically in the years following World War II, the Era of Growth nationally that saw enrollment grow from two to twelve million. In the following Era of Consolidation, Minnesota was again in the vanguard as three large systems became one. We are now in an Era of Disruption that is characterized by rapid and widespread change. Minnesota State itself needs to

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rise to the challenge with dramatic, even revolutionary, change that will meet the needs of the knowledge economy of the 21st Century. Today we need to heighten our focus on increasing the number of individuals – particularly those from populations traditionally underserved by higher education – with post-secondary credentials in order to address and meet the needs of Minnesota's economies and communities now and into the future.

Minnesota State and its colleges and universities must challenge itself to think and behave differently in this Era of Disruption in order to support the kind of creativity and experimentation needed to address our current and future challenges to deliver on the innate promise of Minnesota State.

To quote economist John Maynard Keynes, "The difficulty lies not so much in developing new ideas as in escaping from old ones."

Illustrations of Innovations in Education

Innovative approaches are emerging across the country and world, as institutions and systems are imagining new solutions to the new and persistent challenges facing higher education and the constituents they serve. Following are a few examples of initiatives being pursued by educational organizations to produce better service, higher functionality, growth in scale and more efficient use of resources. Each is unique to the particular organization but provide insight into the types of creative approaches that are possible.

Seizing the Power of Partnerships: Khan Academy, the innovative, on-line and free test preparation non-profit founded by Salman Khan, offers a wide range of subjects through YouTube videos. Khan and the College Board, the outfit that offers a variety of standardized tests including the SAT and CLEP, are joining forces to offer a service that matches learning diagnostics with focused educational interventions to accelerate student learning and their ability to score well on standardized exams. An advantage once available mostly to students from higher income families promises to be free to any student with access to a computer and the gumption to prepare for the test.

Especially given the power of its NextGen information system, what partnerships can Minnesota State pursue to give its 375,000 students a leg up in process of learning and earning a certificate or degree?

Non-Profits as Economic Enterprises: The distinctions between not-for-profit organizations and those with net income are disappearing fast. The Association of Governing Boards of Colleges and Universities, a venerable professional association in the business of representing and educating boards of trustees, long thought of itself as merely a non-profit dependent on membership dues and occasional grants. With tighter finances at colleges and universities, AGB recognized it needed other sources of revenue. It launched a for-profit executive search business

and dramatically expanded its consulting operation. Both quickly became contributors to its financial strength, and enhanced options for members.

What can Minnesota State and its member institutions do to act more like enterprises than dependents of the state?

Viewing the World as Our Market: There are about 12 million higher education students in the United States. World-wide, there are over 200 million students enrolled in colleges or universities, with perhaps a billion enrolled in other training and certificate programs. Open universities beginning with the iconic British Open University enroll millions across the globe. Penn State Global offers one robust model of combining online delivery with worldwide reach to expand the services and increase the revenues of this major public institution. Hundreds of other American colleges and universities work in the global market place. To be sure, locating learning centers overseas and recruiting students to the United States requires country knowledge and experience. Success is not guaranteed, but the sheer potential demands attention.

What can Minnesota State do as a System to explore and act upon the potential for global education to serve more students and help advance opportunities and lower costs for students here at home?

Moving Beyond Boundaries: Virginia Tech, a reputable STEM-oriented university located in the foothills of the Appalachians and in the academic shadow of the University of Virginia, realized that its rural location and relative obscurity were not it most critical barriers. Its President recognized that unquestioned assumptions constituted the greatest barrier to qualitative and quantitative growth. He launched a Beyond Boundaries initiative without a specific destination but with a commitment to explore new conceptions of the student experience, new locations to attract and serve students, and new global opportunities. The goal is to engineer change tomorrow, and to stimulate a mindset that nurtures creativity for generations to come.

Minnesota State has important short-term objectives, but what kind of System should it plan to be ten and twenty years from now and how would it engage in this visioning work?

Creating the Agile System: Applying agile principles to project management has become a popular approach in the Twin Cities and elsewhere. The University of Minnesota as well as St. Thomas offer certificates in the field. It is not clear, however, that these institutions, or other academic organizations for that matter, have seriously applied the concepts to their own projects or administration. The virtues of flexibility, close team work, customer collaboration, and speedy response to change and opportunities that have proven themselves in software development might also work in higher education, especially the professional development sector.

How might the principles of agility in business find applications in the structure, organization, and program design and degree delivery in Minnesota State institutions and in System operations as well?

Recognizing the Genius Next Door: Paul Leblanc, the entrepreneur-president of Southern New Hampshire University, says his number one job is developing the talent within his organization.

This idea helped propel SNHU from a few thousand students to the outskirts of 100,000 in a few short years

How can Minnesota State enable more of its administrative leaders, faculty and staff to transition into enterprise stakeholders who apply their highest creative energies to revitalizing the organization?

The Challenge from the Chair

The overall mission for Minnesota State is clear – to provide an opportunity for all Minnesotans to create a better future for themselves, for their families, and for their communities. Over the last year, we have sharpened our focus even more by articulating three organizing principles that will guide our collective work: student success, diversity, equity and inclusion, and financial sustainability. Given our shared commitment to these principles, the next question we need to ask ourselves is "how?"

A higher education board, such as the Minnesota State Board of Trustees, plays a critical role in leading their colleges and universities in navigating the challenges of an uncertain future as articulated by components of the VUCA strategy: Volatility, Uncertainty, Complexity, Ambiguity. In order to thrive in an Era of Disruption, governing boards must reimagine and transform their role as well.

As the AGB Board of Directors has made clear in its *Statement on Innovation in Higher Education* (2017): "A culture of innovation requires boards and chief executives to work and think together about opportunities and risks. The governing board, as the ultimate fiduciary in any institution or system, must demonstrate leadership by conveying trust in its institution's leaders despite the inherent risks associated with innovation. The board should show a willingness to be nimble, add value to both strategy and supportive policies, offer recognition, and ensure appropriate investments – both large and small – in support of change."

In response to the call for greater support for innovation within our higher education institutions and systems, Minnesota State's Board Chair Michael Vekich posed the question:

How does the Minnesota State Board of Trustees enable a large, complex, risk- and change-averse organization to transition itself into a more nimble, responsive, and dynamic enterprise centered on enhancing student success?

In order to innovate, we must first learn from the innovators. The approach suggested here is to learn from the most creative innovators in a variety of dynamic fields in order to imagine what new approaches to innovation in higher education might look like. The result would be a disciplined analysis of the feasibility and benefits of implementing similar approaches to innovation within Minnesota State's structure and culture.

Examples of the successful approaches to building innovative organizations suggest the answer may come with two interrelated initiatives. Phase I requires identifying transformative approaches to innovation that are working elsewhere. Phase II requires engaging the talented

individuals within Minnesota State in discussions and adaptations of the innovations highlighted in the first phase.

Overview of the Initiative:

Phase I: Forum on Reimagining Higher Education
- Purpose: To learn together about how industries and organizations across Minnesota and the country are navigating the demands of our rapidly changing world and not only surviving but thriving through strategic innovation of their products and services, operations and business models.
- Timeline: Sept. 2018-April 2019

Phase II: Launching the Innovation Journey at Minnesota State
- Purpose: Using the insights from Phase I, begin an innovation journey for Minnesota State that will engage leaders from all levels within the System in the practical and ongoing work of identifying the organizational and operational changes that must occur to build and sustain a culture of innovation within Minnesota State.
- Timeline: Beginning May 2019

Actionable Outcomes:

The outcome of Phase I will be a report developed by the Forum on Reimagining Higher Education that includes bold and future-oriented ideas to enable Minnesota State to more fully serve its students and Minnesota through sustaining, disruptive, and breakthrough innovations. The Phase I report will provide a rich information set for deliberation by the Minnesota State Board of Trustees that will allow the board to establish the long-term expectations for the system and clear guidance for its operation. These expectations and guidance will lay the groundwork for Minnesota State to fully deliver on its mission and organizing principles *and to become recognized as the nation's most innovative system of public higher education.*

Phase II will engage leaders from all levels within the System in the practical work of identifying the organizational and operational changes that must occur to build and sustain a culture of innovation within Minnesota State and to adapt and implement at scale the most promising innovations identified in Phase I.

Through this work, our goal is to make innovation integral, rather than episodic, to the organizational and operational structures of Minnesota State. It also will grow our capacity to identify emerging best practices from across the country and to scale up the existing boutique innovations at our colleges and universities with the goal of better outcomes for our students, campuses and communities.

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Logistics and Engagement Strategy

Phase 1: Forum on Reimagining Higher Education

The Forum on Reimagining Higher Education will include 5-7 innovative thought leaders from outside higher education, in addition to no more than three members of the Minnesota State Board of Trustees. The Forum on Reimagining Higher Education will be led by two co-chairs: the Minnesota State board chair and one participant from outside of higher education.

The purpose of the Forum is to learn together about how industries and organizations across Minnesota are navigating the demands of our rapidly changing world and not only surviving but thriving through strategic innovation of their operations and business models. Forum members will be invited to share essential ideas that led to the success of their enterprise and to contribute to a conversation on ways to adapt the core ideas into the Minnesota State structure and culture. The goal is not to have these individuals tell us how Minnesota State should operate but for these thought leaders to spur our own thinking about how we can become more nimble as we respond to the rapidly changing expectations of our students, state and world.

Discussion questions to be explored by the Forum:
1. How do high-performing organizations and leaders operate in an era of disruption and rapid change?
2. How do innovative organizations and leaders grow and support a culture of creativity, experimentation, collaboration and risk-taking?
3. What types of leadership, organizational structures, and capacities are needed to support the identification, development, refinement and scaling up of promising innovations?
4. What are possible opportunities for Minnesota State to be more innovative in areas of strategic and operational importance to improve student success, expand diversity, equity and inclusion, strengthen Minnesota's economy, and build a financially sustainable system.

The Forum Convenings

There will be 5-7 topical Convenings held in the Twin Cities. The Convenings will be opportunities for members of the Forum to do a deep dive into important trends and issues facing Minnesota State and public higher education across the country and share their own experiences in navigating the demands of our rapidly changing world, including approaches to supporting innovation in their own industries and organizations. These deep dives are intended to spur critical and creative conversations about how these trends and issues may impact Minnesota State and how the system might respond more innovatively to positively impact the success of our students, strengthen the economies of our communities, and achieve a financially sustainable system.

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Each Convening would be organized around a topic and would include a problem statement or guiding questions that would be provided to the guest industry leaders/experts as a framework for their remarks. A briefing paper for each topic would be prepared in advance of the Convening to provide a common framework and spur conversations and questions.
A proceedings from each Convening would be written up and shared with Presidents and bargaining unit and student leaders and posted on the initiative website for campus conversation.

Format of the Convenings:
- A topical briefing paper is prepared and distributed in advance of the Convening, including a discussion guide/guiding questions for the session. A brief survey will be made available after the publication of each briefing paper so the Minnesota State community can respond to the guiding questions, as well. Results of the survey will be shared on the Minnesota State website and incorporated into the proceedings report.
- Public Presentations (1.0 hours)
  - One Forum member shares his/her own experiences in navigating the demands of our rapidly changing world, including approaches to supporting innovation in their own industries and organizations (20 minutes)
  - One content expert from outside higher education presents on topic (20 minutes)
  - One content expert from within higher education presents on topic (20 minutes)
- Forum Deliberations (1.0 hour)
  - Forum and content experts engage in Forum-members only discussion about the Convening topic based on briefing paper, presentations and other observations using the discussion guide as a starting point but expanding to include ideas and observations that emerge from the Convening.
- A written proceeding from each convening that includes the session briefing paper and a summary of the discussion will be prepared after the Convening.
- The proceedings will be shared with Presidents, bargaining unit and student leaders and system office leadership and posted on the Minnesota State website. They will be encouraged to share the proceedings more broadly among their constituents and engage them in conversations and to collect observations using guided and open-ended questions.
- Minnesota State employees will be invited to review the proceedings and share observations and comments through a web portal.

Phase 2: Launching the Innovation Journey at Minnesota State

Phase II will be an innovation roadmap for Minnesota State that will engage leaders from all levels within the System in the practical work of identifying the organizational and operational changes that must occur to build and sustain a culture of innovation within Minnesota State and to adapt and implement at scale the most promising innovations identified in Phase I.

Forum on Reimagining Higher Education Key Dates and Deliverables

Date	Event	Activity/Outcome
July 25, 2019	Joint Study Session of the Board	Board affirmation of Forum and its charge
Early Aug. 2018	Launch Forum on Reimagining Higher Education	Formal announcement of the Forum and Convenings; naming of Forum Members
Sept. 10-11, 2018	Leadership Council Retreat	
Sept. 18-19, 2018	Board of Trustees Retreat	
Mid-Sept. 2018	Announce Convenings	Identification of Convening dates, topics and content experts
Mid-Sept. 2018	Forum Meeting	Organizing Meeting
Early Oct. 2018	Convening 1	Proceedings 1 (due 1 week post event)
Oct. 8-9, 2018	LC Meeting	Forum Update
Oct. 16-17, 2018	BOT Meeting	Forum Update
Early Nov. 2018	Convening 2	Proceedings 2 (due 1 week post event)
Nov. 5, 2018	LC Meeting	Forum Update
Nov. 13-14, 2018	BOT Meeting	Forum Update
Mid-Jan. 2019	Convening 3	Proceedings 3 (due 1 week post event)
Jan. 29-30, 2019	Joint BOT/LC Session	Initiative Progress Report and Discussion of Initial Findings
Mid-Feb. 2019	Convening 4	Proceedings 4 (due 1 week post event)
Feb. 25-26, 2019	LC Meeting	Forum Update
Mid-March 2019	Convening 5	Proceedings 5 (due 1 week post event)
March 19-20	BOT Meeting	Forum Progress Report
Late March 2019	Final meeting of the Forum	Finalize Forum on Reimagining Higher Education Report
April 1-2, 2019	LC Meeting	Forum Update
April 16-17, 2019	BOT Meeting	Action on Forum Report
May 2019	Organizing for Phase 2 Begins	

* need to include Meet and Confers and Student Organizations' meetings

Forum on Reimagining Higher Education Engagement and Communication Strategy

The key to success of this initiative will be ongoing communication and engagement with stakeholders within the Minnesota State community. The following efforts provide for different opportunities for individuals and groups to inform and stay informed about the work of the Forum.

Forum Briefing Papers: Prior to each Convening, a topical Briefing Paper will be developed that provides background on the Convening topic, key data points, and examples of emerging innovations or best practices from within and outside higher education. It also will include guiding questions for the session. The Briefing Papers will be shared with the Board of Trustees and Minnesota State community, and they will have the opportunity to respond to the guiding questions as well via the online feedback environment.

Proceedings from the Convening: One week after each Convening, a Proceedings will be developed that captures and synthesizes the outcome of the Convening. This will be shared with the Board of Trustees and Minnesota State community via the Forum website.

Forum Co-chairs Monthly Blog: The Forum co-chairs will publish a column/thought piece on innovation that provides observations/reflections on the progress of the Forum that challenge the Minnesota State community to think differently about the System and our collective work.

Regular updates at existing meetings: Updates on the progress of the Forum will be a standing agenda item for all regular System meetings (BOT, LC, Meet and Confers, Student Organizations, etc.)

Forum Website: Housed on Minnesota State website, the Forum website will contain information on the Forum, Convenings Schedule, Briefing Papers and Proceedings and the interim and final reports and the co-chair monthly column. The website also could include case studies on innovation, resources and supplemental readings and results from the surveys,

Feedback Site: The Forum website will include an opportunity for the Minnesota State community to comment on activities and outputs of the Forum throughout the process.

Topical surveys: Throughout the process, the Minnesota State community will be asked to respond to brief topical surveys related to key questions being addressed by the Forum. A summary of this input will be included in the Proceedings and will be considered by the Forum in their final report.

Individual interviews: Forum staff will meeting individually with key leaders within Minnesota State to gain their perspectives on the current challenges to innovating within the Minnesota State system, opportunities for innovation, and promising best practices that are occurring within their campuses or divisions.

Forum on Reimagining Higher Education Support Team

The process will be supported by a Minnesota-based project leader with the educational background, imagination and connections to lead in implementing stage one; an associate responsible for research, logistics, scheduling, recording and similar tasks; an external adviser to assist project leaders to selecting participants, attracting external experts for mediated presentations, designing agendas and facilitating discussions.

Project Lead: Lisa Helmin Foss, Ph.D., MBA

Dr. Lisa Foss is the Vice President for Planning and Engagement and Chief Strategy Officer at St. Cloud State University. In her role, Lisa leads SCSU's strategic planning, assessment, accreditation, analytics and institutional research, university communications, and community engagement offices and serves as a senior advisor to the University President.

She was a 2015-16 American Council on Education Fellow with the City University of New York, studying transfer student success and large scale system change, and she completed the Harvard Graduate School of Education's Management and Leadership in Higher Education Institute in 2010. Her research interest is the areas of student success analytics and institutional and system-level change management in post-secondary education. She holds a Ph.D. in Educational Policy and Administration – Higher Education from the University of Minnesota and a Masters of Business Administration and Bachelor's Degree in Mass Communications from St. Cloud State University.

External Adviser: Terry MacTaggart, Ph.D.

Dr. Terrence "Terry" MacTaggart is an experienced leader and scholar in higher education. His consulting and research work focuses on higher education leadership and policy, strategic planning, board development, issues of shared governance, and leadership evaluation. He has held the Chancellor's position at the Minnesota State University System and on two occasions at the University of Maine System. He has served as a consultant and/or facilitator of board retreats for numerous colleges, universities, and systems. His clients include major public research universities, urban and metropolitan universities, distinguished independent institutions, regional comprehensives, international colleges and universities, minority-serving institutions, nontraditional colleges, community colleges, and proprietary schools.

Dr. MacTaggart has served as Chair of the Commission on Institutions of Higher Education (CIHE) of the New England Association of Schools and Colleges (NEASC) and has led multiple visiting teams for several regional accrediting associations. He has served as a Fulbright Scholar to Thailand and to Vietnam as an expert on accreditation and quality assurance. His research and publications focus on governance, improving relations between institutions and the public, and restoring institutional competitiveness. His most recent book is titled Leading Change: How Boards and Presidents Work Together to Build Exceptional Institutions, published by AGB Press in 2011. Dr. MacTaggart has a doctorate and master's degree in literature from Saint Louis University, an MBA, and two honorary doctorates. He is a member of Phi Beta Kappa.