

*THE STATE OF THE UNIVERSITY ADDRESS*  
*ROBERT O. DAVIES, PRESIDENT*  
*NOVEMBER 14, 2017*

Good afternoon and thank you for taking time today to join your colleagues for the annual “State of the University” address. To me, this is an important time as it provides the opportunity for us all to reflect on our University, to take stock of where we are, to determine how we are positioned to achieve our ambitious goals and realize our inspirational vision of being the best student-centered university in America.

Let me start by saying how incredibly grateful I am for this opportunity. I am honored, humbled and excited to serve you as the 13<sup>th</sup> President of Murray State University. I value the trust you place within me as I serve in my role as President.

Each and every morning, when I walk from Oakhurst across our campus, I am reminded of what an amazing institution we are, what we are achieving and perhaps, most importantly, what we will achieve. I feel blessed, truly blessed, to be here with you, at this time in our history, as we guide and lead our University forward.

As I walk through our campus, I reflect on why we all entered higher education—to make a significant and lasting difference in the lives of our students, to change communities for the better and broaden our horizons by expanding knowledge. We all have the greatest occupations in the world because each and every day we are impacting the world, creating a better future in our classrooms, in our laboratories, in our libraries and throughout our University. At the heart of this transformative work are our faculty and staff.

As I mentioned, I am humbled to be here. I am humbled because of the work and dedication of our faculty and staff. At Murray State, we are blessed to have exceptional faculty members who provide the foundation for our students to grapple with difficult concepts. You create and test new theories and practices and you serve our University in varied and important ways. You give our students the opportunity to explore and gain experiences and test their own limits. And when they struggle or don't meet their own high expectations you provide a supportive and encouraging environment for them to refocus and succeed.

I am honored to work alongside our staff whose dedication to the goals of our University is unparalleled as they ensure the foundation of a supportive community and this remains at the heart of all we do. The professionalism, work ethic and commitment of our staff members creates an undeniable impression on our students as they create their dreams at Murray State and live them as they proceed through life.

Every day, I see this at our University and I cannot thank each of you enough for what you do in furthering our grandest purpose—creating a better future.

As you know, our shared vision is “To be the best student-centered university in America” and that is easy to say, but when I talk with you and witness your work and the outcomes of your efforts, I see this statement come alive. We are being recognized both as a University that is delivering on our student-centered pledge and we are among the best universities in the country.

To achieve this bold and ambitious vision, we are guided by our newly-created Mission Statement that directly reflects your work and efforts. While you can read the complete Mission Statement online, the new Mission Statement begins by stating:

Murray State University places our highest priority on student learning and excellent teaching, blending the range of educational opportunities often experienced at research institutions with the nurturing student-teacher interactions usually found at smaller universities.

And it concludes by stating:

We invest in our communities through thoughtful public service in our 18-county service region and beyond. Our uniqueness arises from our combination of academic excellence, a welcoming atmosphere and our dedication to student success through mentored, real-world learning opportunities in an open-minded and supportive learning environment.

These lines, supported by the entire Mission Statement, provides us with four guiding pillars that outlines our organizational commitments, directs our pathway forward and provides focus to our work. These four pillars are our overt commitments to: 1) excellence; 2) experiential learning; 3) being student-centered and 4) upholding our sense of community.

We are about “Excellence.” This relates to excellence in academic programs that are rigorous and meet the highest standards in their discipline. In the last two years, programs in education, engineering and the sciences, nursing, humanities,

business and agriculture have undergone reaccreditation processes with exemplary results.

Excellence in securing grants by our faculty and students has resulted in over \$10 million for research, scholarship and creative activity projects during the past year.

Excellence in our new students—highest ACT average in recent history, highest percentage of students from the top tier of their respective high schools and the highest number of students admitted and enrolled in the Honors College.

Academic excellence is reflected in our *U.S. News & World Report* rankings by the University advancing three spots for the first time in over seven years. And, very recently, we were named the top four-year college in the Commonwealth. These accolades reinforce our commitment to being a premier undergraduate university.

We are about “experiential, real-life learning.” We afforded the opportunity for over 1,600 student and faculty research and creative activity projects last year alone. We continually lead the regional universities in the Commonwealth and the region in the percentage of students taking advantage of study abroad or study away programs. Nearly 50 percent of our students are earning a bachelor’s degree in conjunction with completing an internship, co-op or clinical learning experience. Student internship opportunities annually range from working with local non-profit organizations and small businesses, to individuals working with leading marketing firms in Boston, New York and Chicago, to students working on oil rigs in the Gulf of Mexico, to an internship that required one student to travel to over 140 cities in the United States, as well as many international experiences—one of which included a student working with young children and their families in Israel

as the children prepared for and underwent heart surgeries. All of these experiences changed the perceptions of our students, deepened their appreciation and understanding of the complexities of our diverse global culture and instilled in them the importance of critical thought, communication and research.

We are about being “Student Centered.” This is our stated vision and everyday examples abound of how we are living this promise. The results include an increase in our retention rate to nearly 75 percent this year. It is about our faculty taking time to meet with students and provide them advice on career and life goals. It is about the over 150 Racer Proud pins that have been distributed to many members throughout our University community. It is about the 35 faculty and staff members who have volunteered to serve as mentors as part of the Racer Connection program for students, many of whom are first-generation and have not previously had a supportive social network. It is about our faculty holding high standards and working with students to achieve these exacting levels of accomplishments.

We are a “Community.” This was never more evident than in the aftermath of the JH Richmond incident when numerous faculty and staff came to Murray State that evening to assist those living on campus to ensure they were cared for and provided with necessities. And, in the days following the incident, over 45 faculty and staff members arrived on campus to help students move and get resettled.

Community is also about faculty and staff who have volunteered to be a part of the “Kindness Committee” to recognize and thank individuals for supporting and fostering our community.

It is about the creation of the Racer One Stop where multiple offices came together in a common location for the first two weeks of the semester to provide an exceptional service experience for our students.

These are just a few of the amazing accomplishments that you, our faculty and our staff, have achieved this past year. And I thank you, each of you, for what you have accomplished. Please rest assured that your efforts do not go unnoticed and are deeply appreciated.

And, even more incredibly, these accomplishments were achieved in a time of great turmoil and turbulence within the higher education landscape. We are at a sea-changing moment in higher education as there are many shifting paradigms about the role, the outcomes and the fundamental reason for higher education. And many of these new desires, outcomes and priorities that are being proposed for higher education are not always aligned with one another and, in fact, many are in direct conflict.

In our own state, significant changes are not merely on the horizon, they are on our doorstep. We have entered the new phase of performance funding where outcomes and measures of student attainment are predominant: a bachelor's degree, the accumulation of credits at the 30, 60 and 90-hour levels and special emphasis on programs in STEM-related fields. And, mimicking the national view, the value of the bachelor's degree is becoming more and more closely aligned to the attainment of a job, a well-paying job at that and, thus, moving the balance of the public good and private benefit more and more toward the personal gains one receives.

This is, of course, overlaid with the current pension crisis of the Commonwealth, affecting all of us in deep and varied ways, adding to our levels of stress and creating uncertainty. Additionally, based on fiscal projections, the state is anticipating a significant budget reduction in the forthcoming legislative session.

We are living during a time where everyone has a megaphone and is providing opinions on how to “fix” higher education. While we certainly can improve, I propose that in creating life-long learners we are educating a generation that will be inquisitive and intellectually honest, independent in their thinking and thoughtful in their responses to challenges. This, I believe, is what our society needs to address many of the issues our world is facing.

Ultimately, and importantly, while we cannot control what is happening in our “new normal,” we can control how we respond and that is where we must place our focus.

In responding to challenges, it has been stated by Jim Collins, a professor at Stanford University and an international leader and expert in organizational leadership, that all great organizations must be proactive, measured and focused. This approach starts with addressing three questions. The first is understanding what the organization is and what it can do better than any other organization. The second is knowing what drives the resources—financial and other sources—of the organization. And third is articulating the core ethic, value and passion of the organization.

As a great organization, we are a premier undergraduate university with exceptional graduate studies and we are the best in providing a supportive learning

environment. Our resources are driven not solely by the number of students, but by successful students—successful in their studies here and successful in what they are able to accomplish after they graduate. And, our core ethic and passion is our commitment to our student-centered values and actions.

During the past several years, we have faced many obstacles and challenges and each time not only did we rise to the occasion and overcome them, we have created a momentum that has enabled us to excel in many ways because of our focus in response to those three questions.

In today's environment, we are being challenged even more. And, I am confident that we will again exceed expectations and find the pathway forward because of our determination to maintain our standing as a premier university, committed to teaching and learning. We also understand that our resources are embedded in student success which is achieved by our unwavering commitment to students.

To do this, we will continue to focus on our commitment to excellence in all that we do. We will further our experiential learning opportunities. We will remain focused on our vision to be the best student-centered university in America and we must maintain our sense of community.

Therefore, the response to the challenges we are facing involves setting established priorities and actions upon which we, as a University, must focus our efforts.

First and foremost, let me talk about enrollment. We cannot lose sight of the importance of increasing enrollment. In these times when state appropriations are continually declining, we must drive our own revenues. And, at the same time, we

must remain committed to attracting, admitting and enrolling students who have a high probability of being successful in our rigorous academic programs.

We have, over the past two years, reinforced our admission standards to reflect our commitment to excellence. This is not about becoming an exclusive and elitist university, rather admitting students who are able to be successful at Murray State. We have attracted more applicants than ever before because of these standards and, as a result, have admitted more students. Our goal and focus now must be on moving these students from admitted status to enrolled students. And this is where the competition between and among universities intensifies.

Remember, unlike five years ago, we are in a declining market and will be for some time. Competition is more intense than ever before. In the past, we have relied on international student markets to boost enrollments, especially at the graduate level. However, these once burgeoning markets are now bypassing the United States in large numbers.

During this time, tuition is also a crucial point for students and it is imperative that we continually reinforce value and affordability. This is why we must maintain a tuition model that continues to provide excellent value and return to our students. Our current position is good and although we are not the cheapest, we are far from the most expensive.

Additionally, we must remember that enrollment, especially at the undergraduate level, is a four to six-year proposition. Six years ago, we experienced our largest freshman class which was followed by successive declining classes until 2016 when we began to increase the freshman class with the implementation of the new

admission standards and the revised tuition and scholarship model. This year's freshmen class was on a trajectory, until July, to be one of our largest freshmen classes. Although we matriculated a slightly smaller freshmen class than last year, we take particular pride that these students are in the most academically prepared class in the recent past.

In the end, we must continually remember we are in a competitive market and we must aggressively pursue new methods of communicating with potential students, focus our efforts on students who have a high probability of success and offer compelling and innovative programs that prepare individuals not only for their first job but for a lifetime of success.

We are focusing our efforts on promoting and emphasizing the value of a Murray State degree and we are unabashed in these efforts. Our admissions team is implementing a robust plan geared toward securing applicants and streamlining the process so we are the first to contact, first to admit and first to award scholarships to potential students. The results so far are positive in that, as of today, we have seen an increase in our admitted students by 6 percent. To assist with converting these admitted students to enrolled students, we have analyzed our University scholarship offerings and have adjusted them to now include a scholarship for students with an ACT between 21 and 23, with a GPA of at least 3.0. We are making these adjustments strategically and solidly based on data.

Our admissions team is traveling throughout the service region, our state and the greater region where we recruit students—but they are just one part of the process. Enrollment is among my top priorities and that is why I am personally visiting each high school in our 18-county region, and many in the adjacent counties,

meeting with Superintendents and Principals and visiting with potential students. Each of you are admission ambassadors as well and can assist in this process. Each of you can talk to prospective students when they visit our campus; each of you can find ways to promote Murray State at our area high schools and community colleges and each of you, in working with potential and current students, have the ability to leave a positive influence that drives enrollment. Each of you, day in and day out, are representatives of Murray State and can influence the decisions of others. You are encouraged to call the Admissions Office when your area is bringing potential students to campus. If you are traveling to a high school, let the admissions team know so they can support your efforts. If you want to travel to a high school, we can arrange a visit.

Another major priority is the upcoming legislative session. In working with my presidential colleagues, we are focusing our legislative request to be an offset of pension costs; an investment in capital asset preservation to help counteract our deferred maintenance costs and fund critical infrastructure needs, namely our electrical grid and steam plant for heating and cooling of buildings and other needs. The final request is for additional funds that will be distributed through the performance model. I am meeting with our local legislators in their home districts and presenting the important case for higher education as well as several specific items for Murray State.

I will be honest and blunt. This will be a difficult legislative session. I am hopeful we could receive some relief for the increased pension costs and our infrastructure needs request has, to this point, been well received. However, there is a high probability of a significant reduction in our overall state appropriation.

This leads to our next priority for the University—to be fiscally prepared for the future. We have several key pressure points that we cannot ignore. The first is our pension liability. As of right now, we need to be prepared for our pension cost to increase, based on the recommendation of the State Budget Director, by \$4.7 million in the upcoming fiscal year. This will be combined with a potential substantial reduction in state funding which, if it occurs, will also be in the millions of dollars. We must also account for enrollment changes and increased costs that include health care, technology, utilities and other fixed costs that are outside of our immediate control. At the same time, we must invest and take into account key priorities for our University that include faculty and staff compensation, program reinvestment, tuition affordability and many other critical needs. I cannot stress enough that this will be a very difficult and challenging budget as we grapple with the fiscal challenges, many outside of our immediate control, for the upcoming year. We will be forced to make tough and arduous decisions between and among many priorities, projects and programs. As part of this, we will need to analyze how we provide necessary services and determine whether we need to do so utilizing different and new models.

We are fortunate to have a supportive Board of Regents who individually and collectively understands the values and culture of Murray State, as well as our mission and importance to the Commonwealth and greater region we serve. They also recognize their own fiduciary responsibilities to assure our fiscal foundation remains firm and solid. As such, it is our responsibility, as leaders and members of the University community, to present them with a realistic budget that addresses our strategic priorities in a manner which is fiscally sound. That is our responsibility and our mandate.

To begin this process, each of the academic and administrative units are working on a rubric that will be utilized as a starting point for this discussion. This tool, which in some version has been used at many universities, has been modified to reflect our unique culture and environment, represents a way to initiate this important discussion on budgeting and priority setting for the entire University. To me, given the fluidity that will exist in the legislative session, and the critical times in which we are currently operating, we must be proactive and begin this process now with a realization that the specific levels of funding from the state, as well as enrollment projections at this time, are expected to change.

To be clear, the rubrics will provide the foundation for future discussions about prioritization and budget setting. This work, as has been the case in the past, will involve faculty, staff and students as well as University leadership at multiple levels before any final decisions are made in the form of recommendations to the Board of Regents. We are undertaking this work earlier this year and being more deliberate in our efforts, as I believe it is essential based on the fiscal pressures we face, and the need to make difficult and critical decisions.

During this process, we must look for new programs that can be implemented to generate revenues and we must find ways to reduce costs and increase efficiencies. We need to examine new program offerings that will generate student interest at both the undergraduate and graduate levels. Furthermore, we need to be innovative and seek opportunities in terms of offering credentials that can be stacked in a manner to lead to an undergraduate and/or graduate degree. We need to aggressively explore expanding our online program offerings. We need to also utilize our regional campus locations for continued learning opportunities as well

as expand our services for contemporary learners who are place bound. We also need to ensure our resources are being aligned with student and regional demands. I know Provost Arant and the Deans are working on these elements now and I look forward to receiving their proposals and initiate the process to move the proposals from ideas to reality. We have tremendous opportunities in this arena and we need to set a priority on these elements to develop and attract new markets.

Simultaneously, we will need to determine how to reduce expenditures and become more efficient. This will include examining our processes and refining the way we conduct our business operations. This will require us to analyze services we provide and determine if there are different models we can employ and implement that will ensure services are performed in the most efficient and cost effective manner for the University.

We are entering a new fiscal environment and we must remember that we are, as stated in the first line of our Mission Statement, a “University which places our highest priority on student learning and excellent teaching.” We further this by offering a richness of experiences provided by larger universities, while continuing to give students the personal touch and experiences that are often reserved for small private universities. Our programs are rigorous, relevant and excellent and blend and emphasize the liberal arts and the sciences.

This is who we are and as we proceed, as we make difficult decisions in the near future, we will continue to focus on the four guiding pillars of our Mission Statement. We will remain committed to excellence in all that we do; we will remain committed to expanding experiential learning opportunities; we will remain

committed to being student-centered and we will always focus on our strengths as a community.

I am fully aware that these are extremely intense and difficult times. We are all being asked to do more and adapt to our “new normal.” In these times, please keep in mind that we cannot do it all and we cannot do it all right now. We must prioritize our work and focus on those elements that will help us recruit, retain and graduate students. We must allow ourselves to put some projects and ideas on hold. Our most valuable asset is our time and attention. As members of our University Community, be empowered to set priorities, focus on those projects and activities that have the highest return and the highest probability of success and impact while allowing the lesser priorities to remain in place until they can be addressed.

To conclude, we cannot escape what is also occurring outside of our University and how it is affecting us. The events that are occurring throughout our country are being driven by the rhetoric and vitriol that has the potential to divide each of us. This new environment is acting like a centrifuge as it separates and sets us apart from one another, cause unnecessary conflict and forces us to compete against one another. The war of words is based on advancing one agenda at the expense of others and focuses on creating winners and losers. As a community of scholars, it is our role to mitigate the centrifuge force and concentrate on the centripetal force of binding together the things that are important to us and allowing us to move forward, together, as one community. We do not live in a bifurcated society. We do not live in isolation. Rather, we all gain, or we all lose as a single united community.

We are bound together as a single community of scholars as we believe in the positive attributes of a university education that is based on critical thought, global experiences, research and discovery, robust civil debate, logic and reasoning and effective communication. We believe all must have access to the Marketplace of Ideas and we believe all academic disciplines provide the foundation for our students to derive a well-balanced life that will be measured in not only our students' own personal accomplishments but also how they will impact the communities they serve.

We are a community of scholars, the caretakers of the Marketplace of Ideas. We are educators and practitioners who hold the goals and ambitions of our students at the forefront of our efforts and ideas. We believe, through our own personal actions and the collective actions of our community, that we do, indeed, make a difference in the lives of the individuals we serve.

Let us be the force that unites and not let the circumstances of our environment divide us. Remember, we cannot control many aspects of our environment, but we can—and we do—control how we respond.

Thank you, each of you, for what you do for Murray State University on a daily basis. I am honored to serve you.

Thank you, God Speed and Go Racers!