

# PRESIDENTIAL PERSPECTIVES



A HIGHER EDUCATION  
PRESIDENTIAL THOUGHT LEADERSHIP  
SERIES

*2014-2015 Series:*

**Inspirational Innovation**

CHAPTER

**4**

**Innovate or Perish:**

*The Future is Here*



## PRESIDENTIAL PERSPECTIVES

# Innovate or Perish:

## *The Future is Here*

**Dr. Renu Khator, Chancellor of the University of Houston System  
and President of the University of Houston**

Although it has been nearly a half century since Alvin Toffler's seminal book *Future Shock* warned us about being under-prepared and overwhelmed by "too much change in too short a period of time," that cautionary advice remains useful and instructional, especially in our field of higher education. To revise philosopher George Santayana's famous observation about the past, those who do not create the future are doomed to resent it.

Clearly, disruptive transformations are already underway or looming on the near horizon—a few seem to be fairly predictable, but many (by their very nature) are not. Our academic journals and scholarly publications have been filled with the challenges that currently confront higher education. There is no need to belabor them in detail. It is a litany that most of us know too well:

- Rising tuition costs, significant student debt, and declining government support
- The growing impact of MOOCs and other technological advances on traditional educational models, offering the apparent advantages of low-cost delivery but (so far) lacking a business model to survive
- Increased scrutiny and demands from the public and policymakers about graduation rates, economic outcomes of our students, and the mismatch of degrees and actual skill sets needed for employment
- Expanding globalization that exacerbates the market demand for intellectual resources (faculty and researchers) while the supply side is lagging

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doomed to resent it.”**

**—George Santayana, Philosopher**



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As we grapple with these transformational factors, it is difficult to know how best to react. Race ahead and confront them aggressively? Wait for the smoke to clear and proceed cautiously? Succumb to paralysis by analysis?

While we are optimistically reminded that the Chinese word for “crisis” is composed of the two ideograms “danger” and “opportunity,” it is the positive side of human nature that encourages us to focus on the latter and downplay the former. But, in truth, they are equally pertinent when it comes to the future of higher education. These are exciting times, but they are also unsettling times. I cannot casually declare that every one of these problems before us can be solved at our respective institutions by keen analysis, dedicated leadership, and a slew of highly paid outside consultants.

Some—possibly many—of these gathering clouds are going to rain down on us and most of us will be getting wet, to one degree or another. Clayton Christensen, the noted Harvard Business School professor credited with popularizing the notion of “disruptive innovation/technologies,” has dramatically projected that in the next five years higher education will be in “real trouble” and within the next 15 years, more than half of our American universities will be facing bankruptcy.

Unduly pessimistic? Even alarmist? Quite possibly. And there is always the possibility that we may be placing too much emphasis on Professor Christensen’s “disruptive” predictions. Then again, it is difficult for anyone to present a convincing case that higher education is well positioned to face the disruptive challenges that are at our gates. Many of us in leadership have, I suspect, quietly wondered in our darker moments if we are now selling the educational equivalent of buggy whips?

I would like to offer a modest shift in our mindset that can serve us well during this period of higher anxiety in higher education. If it is not an outright solution, it can serve as a remedy and help insulate us from that future shock of mounting challenges, escalating changes, and sweeping transformations.

No, it is not a novel way to generate additional revenues, or a startling procedure to improve graduation rates by 20 percent in a single semester. It is an adjustment in *attitude*.

Can we adjust our attitude in a way that will allow us to become more innovative?

I sincerely believe that we can. Further, I would suggest that attitude may be one of the most valuable tools we have to work with as this ambiguous and demanding future comes racing toward us. Our attitude plays a significant role in determining how we react, how we respond and, ultimately, whether we prevail. In that regard, this certainly does serve as an inspirational innovation.

Let me begin by pointing out what our attitude should NOT be—that is, four possible reactions that I have observed in too many of us when it comes to these challenges:

- 1) **Ignorance**—This is exemplified in the phrase “When did *that* happen!?” It is rooted in the premise that everything is moving too fast now, and it’s all too complicated to deal with. Yes, it is fast and complicated. But we are smart and resourceful. If we are unaware of these things, it is because we choose to be. We must keep up!
- 2) **Arrogance**—“We have been doing this our way a long time, and we know best.” It is the very nature of disruptive innovation that not only do we NOT know best, we likely don’t know at all until it happens. We must keep that in mind.



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- 3) **Victimization**—“Why are they doing this to us?” This is not paranoia—these transformations are not imagined—but they are not personal and hand-wringing won’t change them. We must keep our perspective.
- 4) **Panic**—“We HAVE to do something! Anything! And quickly!” Unfortunately, the “something” often turns out to be building another climbing wall in the Rec Center or adding a degree in *Game of Thrones* that students can earn on their smartphones. We must keep calm.

Those are exaggerations, of course. But they do reflect the potential pitfalls awaiting us when we under- or over-react.

Instead, we must move toward a higher-education version of Reinhold Niebuhr’s celebrated “Serenity Prayer.” In our case, the revised mantra might be:

*Grant us the serenity to accept the disruptions we cannot change,  
The courage to improve the things that we can,  
And the wisdom to know the difference.*

That will provide the stability to endure what must be endured and, when necessary, the impetus to move ahead with conviction and creativity.

The good news underlying all this apprehension about changes and transformation is that none of these issues—current or predicted—appears to find serious fault with the *intrinsic value* of higher education. Instead, these are shortcomings of the delivery system, cost of the business model, pedagogical method, output and outcomes. In that respect, it is not the noun *higher education* that is under fire but the verb—how we are *higher-educating*, if you will.

So, as we confidently recite our Serenity Prayer and move forward, what direction do we take?

I believe our core mission should serve as our North Star and guiding light.

Let us make no mistake: the core mission is not what we would like to do or even what we hope to become (though aspiration is commendable). The core mission is what we are *obligated* to do to remain relevant to the community and our stakeholders, whether that is developing a workforce, creating intellectual capital, engaging with the community directly, or any of the many combinations of those enterprises.

Today, we have about 5,000 institutions of higher learning and, in my experience, far too many of us are ambitiously envisioning a different future than our current reality. Two-year community colleges want to become degree-granting four-year schools. Four-year schools want to add graduate programs. Teaching-based colleges want to expand into research institutions. Research institutions are striving to achieve Tier One status. Basically, who we want to be appears to be different than who we are. This continuing, widespread drift away from the core mission can be distracting and, in its own way, disruptive. Clearly, a university cannot be all things to all people, but many of us continue to try.

We must always take a long, hard look at what we are doing and evaluate what our real-world options are, but we must do so while remaining totally committed to the core mission. That commitment is not an excuse to avoid changing. The core mission remains constant, but the manner and methods we use to achieve it may change. Change is the one constant in this equation. No one is entirely sure what these changes will be and



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what they will bring. But one thing feels certain—higher education tomorrow will not look like it does today. As educators and leaders, we have an obligation to be as effective as we can be right now, but we have an even greater responsibility to look ahead and be prepared. So, it is absolutely crucial for an institution to know, first, what its core mission is; second, what its particular value is within the overall educational framework; and finally, what its relevance is to the community it serves. Those who have a firm grasp of these issues will persevere. But if the answer to any of these questions is not crystal clear, it will take much more than an attitude change to help.

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**Dr. Renu Khator** has been Chancellor of the University of Houston System and President of the University of Houston (UH) since 2008, overseeing a four-university organization that now serves nearly 70,000 students, has an annual budget that exceeds \$1.5 billion, and generates a \$3.8 billion-plus impact on the Greater Houston area's economy each year. Under her leadership, UH has experienced record-breaking research funding, enrollment, and private donations. As part of a \$1-billion construction program, UH launched a 75-acre Energy Research Park, constructed a new 40,000-seat football stadium, and increased student residence hall capacity to 8,000, the second highest in Texas. Designated as a Tier One research university by the Carnegie Foundation, UH has also been recognized by the Princeton Review for excellence in undergraduate education, by U.S. News & World Report as a top-tier institution, and by the Chronicle of Higher Education as an exceptional workplace. Born in Uttar Pradesh, India, Khator earned a master's and doctorate in political science at Purdue University. She has authored several books and articles on global environmental policy. Khator is the first Indian immigrant to head a comprehensive public research university in the United States and the first female chancellor of a Texas higher education system.