The purpose of this memorandum is to share with you our final recommendations regarding the Strategic Focus document that we provided to you last September. That initial draft was intended to elaborate upon the academic objectives that Budget Restructuring would be designed to support.

Since that time, the academic planning process has moved forward under your direction and a draft Academic Plan is now in process. Ultimately, this plan should guide the goals of budget restructuring. Therefore, we see this Strategic Focus document as a transitional document that links the academic planning and budget restructuring discussions of the last four years with the academic planning process initiated at the September 30, 1999 Leadership Retreat. No additional strategic focus documents will be developed because we expect that function to be incorporated into the new academic plan.

The September 4, 1998 Strategic Focus draft reflected a consensus across campus that the University should continue its current momentum toward becoming a leader among public teaching and research universities, but that its leadership needed to be more definitive about what the University should be and how it should get there.

The recommendations in this memorandum reflect the outcome of discussions with respect to the September 4th memo and related material over the last year. We are particularly appreciative of the comments we received from various individuals and committees on how the September 4 draft might be improved. These recommendations also reflect the outcome of wide-ranging discussions regarding budget restructuring, the September 1998 Leadership Retreat regarding the Leadership Agenda, the final report of the Research Commission, the second round of Strategic Indicators, and Provost’s January 7, 1999 statement on Strategic Investment.

We have organized these recommendations into four parts: 1) Discussion of our aspirations (what we want to be), 2) strategic choices (how do we get there), 3) measurement (how we know we are successful), and 4) conclusion (our next steps).

I. ASPIRATIONS

The statement that we want to be among the top tier public universities in the country has attracted support and highlighted our commitment to enhance excellence at
The Ohio State University. However, what we mean by top tier or even top ten is shorthand for our determination that The Ohio State University will be the best it can be and defining that is the remaining task.

There are a number of fundamental areas of inquiry that currently and traditionally determine which universities are among the leaders. Building on our strengths in these areas will be critical to our future, but to simply attempt to mimic the leading institutions based upon traditional reputation ranking will relegate Ohio State to a catch up position where we will become less and less responsive to the emerging needs of our society and to the strengths of our own institution. Therefore, we must also identify new areas of significance for the future and position Ohio State to be a major player in those areas. The University needs to be able to document more clearly how and why these activities will make a difference to the people of Ohio.

The place to begin is with the University's mission statement. It was adopted in December 1992 after extensive campus-wide discussion and commits us to "the attainment of international distinction in education, scholarship and public service". Although these are worthy goals, they do not by themselves offer sufficient guidance to assist in day to day policy decisions or in allocating scarce resources.

The University's functional mission statement was developed in March 1994 in an effort to translate the mission into operational goals. However, the University Trustees and others felt the aspiration of moving to the top half of the Big Ten universities by the turn of the Century was not ambitious enough, so the goal of moving into the Top Ten Public's was developed in January of 1997.

Meanwhile, the University's academic planning process did produce additional material that helped define the University's aspirations. In his October 1, 1994 address to the University Senate, President Gee charged the University community to focus on the goal of enhancing the quality of the education and experience of our students. This in turn produced a focus on three principal objectives that guided planning efforts and resource decisions over the next few years. These three principal objectives were:

1. To continue to improve the quality of our academic programs.
2. To continue to improve the quality of the student experience inside and outside the classroom.
3. To continue to strengthen the University's management of its resources, including increasing and diversifying its revenue base.

Additional academic planning activities at both the university and college levels have also produced a great deal of information to assist us in defining aspirations. These include the activities of the Committee on the Undergraduate Experience, the Council on Enrollment and Student Progress, the advisory committees on Budget Restructuring, the Research Commission, the President's Outreach and Engagement Council, the benchmarking initiatives, the Leadership Agenda, as well as the continuing work of the Council of Deans and the various committees of the University Senate.
On July 10, 1998, you shared with the campus your initial thoughts on four areas that you, as President, deem most vital to the achievement of our high aspirations for Ohio State:

1. Develop academic programs of the highest quality through selective investments in research and graduate programs.
2. Strengthen our efforts to elevate the quality of Ohio State's undergraduate experience.
3. Establish commitment to diversity throughout the university community.
4. Expand the scope of the land-grant mission and address the important social, cultural and economic issues of today and tomorrow.

We believe the mission statement as focused and refined by various efforts across campus over the last six years provides the basis for defining our aspirations in a way that will help us identify what we mean by top ten, top tier, or leading public university in a manner that is consistent with our mission and our values.

We have clearly expressed our commitment to focus on improving the quality of the student experience, the quality and status of our academic programs and the effectiveness of our outreach and engagement efforts. Progress in each of these dimensions will surely be enhanced by creating a diverse campus with a genuine sense of community. We are also aware of the need to manage and generate the resources needed to achieve those objectives. We are in the process of articulating the accomplishments and associated measures that would correspond to top ten ranking in terms of our values for the institution, fulfillment of our students' educational aspirations and meeting the expectations of the people of Ohio. We still need to articulate the extent to which we are willing to depart from traditional bases for defining top ten.

In moving to this next step of defining what we mean by top ten, we want to highlight the observation made by the Research Commission on this same topic:

"A serious effort to join the Top 10 will not be sustained by simply seeking to enhance our reputation. This is not what motivates faculty members, nor should it serve as our principal inspiration. It will be the desire to excel in research, teaching and outreach, to enhance our faculty, to attract the state's and country's best undergraduate students and many of the world's best graduate students, to work in an outstanding, supportive and diverse environment, and to see the fruits of our labor benefit our fellow citizens that will move us ahead toward achieving this ambitious goal."

Our effort to define what kind of university we want to be, to establish challenging goals and to develop measures to assess our success along the way, should be viewed as part of a broader effort to pursue a fact based decision-making management approach at Ohio State with the goal of achieving distinctive excellence. In that regard, it is important to remember that identifying and measuring the institutional characteristics that we will associate with reaching the top ten, the top tier, or being a leader among public universities is only a first step. Getting there and developing the process to manage necessary changes are separate and more substantial challenges.
The next step will be to operationalize the University’s broad mission with the goals and values that have emerged from our academic planning process. Since those will be defined as part of the Academic Plan, we will not address them in detail here. Instead, we will address the issue of Strategic Choices, document the first round of Strategic Indicators and describe the process by which this will be linked to the University’s resource allocation process, including budget restructuring.

II. STRATEGIC CHOICES

While high aspirations are a necessary condition to achieving excellence, they are not sufficient by themselves. Choices need to be made among a number of worthy activities that may benefit the institution, so that those most critical can be fully supported.

In their review of benchmark institutions, the OSU Research Commission concluded that where excellence existed it is broad based. For example, universities that are highly ranked in research also attract the best graduate and undergraduate students and are highly ranked in all aspects of academic endeavor.

The Commission also pointed out that although top ten institutions have built reputations in specific areas (for example Michigan in the social sciences and Illinois in the engineering disciplines), other disciplines at those institutions are also highly ranked.

The Commission concluded that in order to move into the Top Ten "we probably need to move four or five disciplines that are currently in the second or third quartile (of the NRC benchmarks) into the first quartile. We need to move a significant number of disciplines in the third and fourth quartile up to the second quartile and we need to move a large fraction of the disciplines in the fourth quartile up to the third quartile. Although focusing resources must be an important element of OSU’s strategy, the focus cannot be overly narrow if our goal is the Top Ten".

We agree with this general conclusion, yet it still leaves open the question of how this balance is to be attained. Although the Universities of Michigan and Illinois are relatively strong across the board, they are not uniformly strong in all areas. For example, material collected by the Commission shows that at the University of Michigan, 11 of 16 top quartile programs are in the Arts, Humanities and Social and Behavioral Sciences. At the University of Illinois at Champaign-Urbana, on the other hand, six of its eight top quartile programs are in Engineering, Math and the Physical Sciences. We believe that in order to be successful in moving to the next level, the University will need to successfully address four strategic challenges:

1. How can we focus enough resources to allow dramatic improvements in key areas while allowing the remainder of the University to improve, but at a more gradual pace?
2. How can we close the performance gap with benchmark institutions in selected areas while exploiting our comparative advantage in areas that are likely to be important in the future?
3. How can we more clearly integrate University-wide goals with the goals of the various colleges and departments so that they are mutually reinforcing?
4. How can we do this consistently and effectively over a sustained period of time in a changing environment?

We believe the first step is to identify which colleges, schools or departments should be expected to lead the way in this effort. The first step was taken by the Provost in his December 1995 address to the University Senate. In that speech, the Provost identified the Arts and Sciences colleges as a distinctive element of the academic core, both as individual colleges and as an identifiable group, as well as the colleges of Engineering, Medicine, Business and Law. He also acknowledged the special public service role performed by colleges such as Food, Agricultural and Environmental Sciences and Education. Again, as noted by the Research Commission, leading universities excel in all of their missions and across many disciplines. Identifying areas of potential investment as core areas is not a decision to ignore other colleges or programs, but is an assessment about where it is critical to focus initial efforts to advance the entire institution.

Since that time, the University has benefited from a year long discussion of institutional strategic indicators, a two year discussion of budget restructuring, six rounds of academic enrichment, a year long review by the Research Commission, and two rounds in the selective investment process. This broader institutional goal has been operationalized, in part, by the proposal of Ten in the Top Ten and 20 in the Top 20 by 2010.

An additional step was the January 6, 1999 memo from Provost Ray to President Kirwan on Strategic Investment. This memo is designed to identify top academic programs, priorities for investment and the role to be played by other academic programs.

The Strategic Investment memo, in combination with the two rounds of Selective Investment already completed, has identified eight programs targeted for initial investment because of their potential to lead OSU to the next level of academic excellence. These are:

- Chemistry
- Electrical Engineering
- History
- Neuroscience
- Materials Science and Engineering
- Physics
- Political Science
- Psychology

As many as four programs will be selected for next year, bringing the possible total to twelve. A special advisory committee of faculty, chaired by Ruth Charney, has begun to review the entire array of central initiatives and make recommendations to the Provost.
One of the comments we received most frequently in response to the discussion of Selective Investment is, what happens to the more than 100 departments, colleges or inter-disciplinary programs not targeted for these funds? Although programs not chosen for Selective Investment initially will not be as highly targeted for additional central continuing funds as the 12 Selective Investment recipients, they will have the opportunity to advance and excel through a variety of means. These include university-wide initiatives in areas such as the molecular life sciences, environmental sciences, and public policy, as well as access to other funding sources both internal and external to the college. And, many of our other units collaborate with the selective investment areas and, therefore, benefit from their progress.

There needs to be a continuing effort to identify key departments or programs within the Arts and Sciences that should be targeted for investment, to define explicit expectations about the six professional colleges previously listed and to more explicitly define expectations regarding other colleges, schools and departments that have made and will continue to make positive and significant contributions to the University, but that may not be specifically targeted for the first rounds of enhancements. And again, the profiles of leading universities reflect strength not simply in a few disciplines, but in a broad array of allied, supporting and related disciplines. Where excellence exists, it is broad based. This articulation needs to involve the University's entire leadership and needs to be completed in the next academic year.

As part of the benchmarking exercise, Resource Planning and Institutional Analysis has developed comparisons that show Ohio State operates on significantly less revenue per FTE student than other leading public institutions. This revenue gap is particularly pronounced in grants and contracts and in state support. Consequently, a great deal of attention has been focused on how revenues to the institution can be increased. While we feel this is an important element of the university's strategy, it cannot be the only one.

The university's aspirations must be driven by its academic mission, which is to provide scholarship, education and public serve to the people of Ohio. Additional resources can assist in achieving that goal, but are not an end in themselves.

A second implication is that resources are by definition limited, while aspirations are not. Therefore, no matter what the level of resources, choices will still have to be made.

### III. MEASUREMENT

Measurement is not an end in itself, but if Ohio State wants to better itself, it is critical to develop appropriate benchmarks. This is particularly challenging because the complexity of what we do in higher education makes measurement of the relationship between inputs and outputs very difficult.

Over the last two years, our campus wide discussions of Strategic Indicators and Benchmark Institutions and the North Central Accreditation Review generated a number of themes that we feel should guide our efforts:
• We should measure what we value, and not simply value what we can measure.

• We should focus on output measures as well as input measures. Our obligation to the people of Ohio involves value added in education and results.

• Our measures should recognize the diversity within the institution, including appropriate recognition of the different missions of the various colleges.

• We should try to measure what we think will be important in the future, not what was important in the past.

• As a public institution, we should measure what matters not only to us, but also what matters to our external stakeholders.

• We should be prepared to develop better measures in key areas where current measures are flawed or do not exist at all.

• While we move ahead to generate new measures of evaluation and assessment, we should not overlook more traditional measures.

• While measurement is important, it is not an end in itself but rather one means by which to monitor our process and assess our achievements.

In the remainder of this section, we attempt to describe appropriate measures for each of the four areas of strategic focus in the form of strategic indicators. Since the development of strategic indicators should be a continuous process, we draw a distinction between first generation indicators, which are based on information already known to be available, and next generation indicators, which are more descriptive, but that also will require the collection and analysis of new or additional information.

A. Academic Excellence

Ohio State’s challenge in becoming a top tier public university with regard to the quality of our scholarship will be to compete in scholarship as currently measured, while developing analytic capability that will help us leap frog over our competitors in areas that will be important in the future.

Faculty have a strong tradition of assessing the quality and impact of their individual research in each discipline. At the institutional level however, evaluation is based more on funds expended and reputational rankings in national surveys. In assessing scholarship, we will need to identify the relationship between institutional factors (such as faculty development, resources and organizational best practices) and the desired outcome of high quality, high impact research.

We also need to keep in mind that the diversity of our institution requires the incorporation of discipline and program specific strategic indicators, in addition to
First generation university-wide strategic indicators in this area include reputational rankings of programs, but in our consultations across campus, it has become clear that the rankings from sources such as *US News and World Report* and even the National Research Council have shortcomings. For the most part, these rankings are subjective and when objective measures are used, they are often input based rather than output based. In addition, the rankings are lagging indicators reflecting data that is often several years old rather than leading indicators of future performance.

However, these rankings are currently the most widely accepted measures of performance. While subjective, rankings such as the NRC are based on the opinions of leading scholars in the areas in which they apply and are believed to have considerable objective validity. They are widely known and influence national perceptions of quality, which influence faculty and student recruitment choices. This is the virtuous cycle referred to in the Research Commission report and it should not be ignored. In order to compete, we need to understand how these measures work and, as a result, how they can guide our efforts to improve our academic programs and, consequently, Ohio State’s standing.

Therefore the following first generation measures have been adopted for assessing OSU’s overall strength in scholarship.

- **Reputation of Foundation Disciplines** - measures of quality and impact in foundation disciplines that will help us to determine our current strengths and identify which traditionally important programs will be critical to the future of the University. Existing rankings including the NRC, U.S. News and World Report, etc. are flawed, but they have currency and must be reckoned with by Ohio State.

- **Relative Market share of Federally Sponsored Research** – this is one of several interesting new measures developed by the Research Commission. This particular measure reflects external assessment of the value and impact of some key areas of research and represents a measure that can be uniformly compared across institutions.

- **Citations** – several measures are now available reflecting citations of published research. This permits us to measure the reputation of research in areas where sponsored funding is not available, and yet, it is more quality driven than just counting the number of publications regardless of impact.

- **Patents and Licenses** – this is another good measure of the impact of a university’s research activities.

- **Qualifications of Incoming Students** - although qualifications of incoming students is more of an input measure than an output measure, it is also a measure of how prospective students view the academic excellence of an institution.
Second generation measures include qualifications of incoming graduate and professional students, faculty and student honors and awards, inter-disciplinary work in emerging fields and faculty development.

College, program and discipline specific indicators are extremely important for evaluating those programs for which university-wide measures are insufficient. The Provost has asked all colleges to send him a draft of their first generation college specific indicators by October 29, 1999.

B. Student Experience

The most common outcome measure of successful instruction is completion of the academic program, which in most cases is represented by graduation. And, surely, having students graduate and pursue productive careers in a timely fashion is a primary responsibility of every university. However, the available research on graduation rates shows that the variable most commonly associated with completion of a baccalaureate degree is the preparation of the entering students (ACT levels, etc.). While this says a lot about what kind of students are attracted to a particular institution, it says very little about the institution itself in terms of adding value and/or genuinely transforming students’ lives. Us News and World Report has tried to address this issue in its annual ranking of colleges and universities by including a value added score based on projected graduation rates for undergraduate students.

First and foremost, we must develop initiatives to dramatically improve our retention, graduation and the post-graduate success of our students. We think that graduation rate is a critical measure of an institution’s performance in undergraduate education. The graduation rate, though, is only a proxy for the University’s interaction with students while they are here. To understand Ohio State’s graduation rate we must look at not only student “potential” as measured by ACT scores, but how the institution helps or hinders students through the University. In that regard, OSU should commit itself to organizational effectiveness and to being a national leader in improving retention and graduation. To monitor our success in each of those areas, we will need to develop effective measures. It is particularly worth noting that our urban location permits students to step in and step out. Our graduation rates should be benchmarked against other urban universities.

Therefore we have adopted as our initial university wide strategic measures first year retention rates and six year graduation rates on both an ACT adjusted and non-ACT adjusted basis. We also need to collect student profile data to help us develop benchmarks. Readily available data should include ACT scores, percentage of students in the top 10%, top 25% of their high school class and student and faculty diversity.

Second generation university-wide and program specific indicators incorporate retention and graduation rates for graduate and professional students as well. A second set of strategic indicators is being built around student satisfaction with various aspects of their experience at Ohio State. The Office of Strategic Analysis has already begun collection survey data to track these responses.
Finally, we need to develop measures in emerging areas that lack benchmarking activity now, but are likely to grow in significance in the future. These include learning environment assessment, student involvement in research and public service and technology enhanced learning.

C. Diversity

Measuring success in diversity has traditionally been done by comparing the number of under-represented faculty, staff or students with a numerical goal. While this information can be helpful, it is only a partial picture that may mask significant failures or successes in retention or in climate or environment.

Therefore, we have adopted a first generation of indicators, we measure the number and proportion of under-represented faculty, staff and students over time at OSU and against benchmarks such as the general population and other institutions. Retention and graduation rates are also included in this initial comparison.

We should also commit to broadening these university-wide measures to include periodic climate surveys as part of the second generation of strategic indicators regarding diversity.

D. Outreach and Engagement

There are no commonly accepted indicators of outreach and engagement. The President’s Council on Outreach and Engagement has developed a draft plan which includes a list of major focus areas and a call to document how OSU Outreach and Engagement initiatives impact on the citizens we serve. It is also clear that this is an area where college or unit specific impact measures will be very important.

As an initial university-wide strategic indicator, we will use survey results collected by the Office of Strategic Analysis that measure the amount of student participation in public service activities.

Second generation indicators should include outcome and impact measures of public and social services and public policy; education; communities; families and individuals; food, health and environment; and business and industry on the people and communities we serve.

IV. What Happens Next?

The campus-wide discussion over what the University should be in the coming century began in 1992 with the adoption of a new mission statement. This has been followed by a four year discussion of strategic indicators and a two year discussion of selective investment. During this period, the University has also received a number of reports on different parts of the University’s mission, including reports from the Research Commission, the Committee on Enrollment and Student Progress, the Committee on the Undergraduate Experience, and the President’s Council on Outreach and Engagement. In addition, this strategic focus document itself has been under discussion for the last year.
Although these discussions should continue, we feel it is also time to move to closure on this phase of our strategic focus process. Therefore, we recommend the following goals for the coming academic year:

**Aspirations** - the general aspirations listed here should be fleshed out over the next year through the completion of the Academic Plans requested by the President. These plans will address in greater detail our aspirations regarding academic excellence, student experience, diversity, outreach and engagement and resources and how we will achieve those aspirations. The drafts of these plans will be available this fall for campus-wide review and discussion. Final recommendations are expected by the middle of the academic year.

**Strategic Choices** - the Office of Academic Affairs has already identified eight units who will receive additional resources in order to enhance Ohio State’s academic reputation. The Central Investment Review Committee has been appointed by the Provost to review the Selective Investment, Academic Enrichment and interdisciplinary initiatives and to propose changes for the future. Their assessment of competitive academic enrichment awards is due by the end of Autumn Quarter and broader recommendations regarding central investment are due at the end of Spring Quarter and will frame the future direction of this effort.

Meanwhile, the Provost will meet individually with the deans of all 19 colleges during Winter Quarter to review how they might contribute to the University’s aspirations and what their base budgets will be under budget restructuring.

**Measurement** - our aspirations and our strategic choices should drive our measurement process. The Annual Leadership Agenda will be the primary vehicle for guiding administrative efforts. The strategic indicator process will be the primary vehicle for measuring progress in achieving our programmatic goals. Both of these efforts must be closely integrated with the academic plans referred to earlier.

The initial version of first generation strategic indicators was presented to The Ohio State University Board of Trustee last July. An updated version will be presented later this year and will include some of the second generation indicators. The Provost has requested that the colleges prepare their first generation of strategic indicators by no later than October 29, 1999. Thus, by this time next year, the University should be well along in defining its aspirations, making its strategic choices and identifying its measurement tools.

We look forward to a challenging but exciting year, where tangible progress from years of effort will be evident.

c:  Alayne Parson  
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