



**2017 State of the University Address
Sept. 21, 2017**

V. Barbara Bush

Good afternoon. Good afternoon to you all. Please be seated and please silence your cell phones and other mobile devices. Thank you for coming. I'm Barbara Bush, chair of the Faculty Senate. On behalf of the Faculty Senate leadership, which includes Sheri Broyles, Faculty Senate vice chair, Kevin Yanowski, secretary, and the rest of our executive leadership, I welcome you to this special occasion of the 2017 State of the University. We're joined today by distinguished guests and members of the UNT System and UNT leadership. Please hold your applause until all individuals have been recognized.

Joining us today are:

- Erik With, here on behalf of U.S. congressman and UNT alumnus Michael Burgess
- Breanne Jackson, on behalf of State Senator Jane Nelson
- Members of the Denton City Council, representatives from the Denton Chambers
- We're also pleased to have Frisco mayor Jeff Cheney and members of the Frisco City Council joining us today, as well as deputy city manager Henry Hill.

Our distinguished guests include some of our biggest supporters and proud partners:

- Members of our President's Leadership Board, including:
 - Jim McNatt
 - Ken Newman
 - Don Lovelace
 - C. Dan Smith, who also is a former chair of the UNT System Board of Regents and is the current chair of the UNT Foundation Board.
- Members of our Founders' Circle
- Members of the UNT Foundation Board
- Members of the UNT Alumni Association Board
- We also welcome Joe Simler and Tyler Potts from the Dallas Cowboys

Now, please welcome our UNT System representatives:

- Our former members of the Board of Regents in attendance today are R.L. Crawford, Gayle Strange, Rudy Reynoso
- Vice Chancellors James Maguire, Janet Waldron, Rosemary Haggett, Rama Dhuwaraha and from our sister institutions here today.

Lastly, I would like to acknowledge members of UNT's leadership here today. If you are a member of one of these groups, please stand when your group is called.

- The President's Cabinet
- Deans
- My fellow members of the Faculty Senate
- Staff Senate Chair Gary Payne and members of the Staff Senate leadership
- Student Government Association President Barrett Cole and Vice President Lisa Umeh, as well as other members of SGA leadership

(Applause)

Thank you all for joining us.

Today, we celebrate our 2017 State of the University. We have accomplished much during the past three-and-a-half years since President Smatresk joined us.

Most notably, we celebrate our Carnegie Classification as a Tier One research university. This designation is a result of much collective hard work and we can all be proud of this recognition that highlights the quality of our institution, the efforts of the individuals who work here and the quality of our teaching, scholarly and creative activity and service.

In celebrating this achievement, however, we know that we must continue the work to grow in becoming a leader in education innovation. We have many superior programs — 68 to be exact, according to national rankings — but we must continue to strive for excellence.

For UNT's sustainability and the future students whom we will impact, UNT must continue to evolve and become a global leader in instruction, innovation and the use of new technologies.

You will hear President Smatresk talk about UNT becoming a disruptor in education and growing our brand beyond Texas. The delivery of education is evolving and will no doubt be different in 20 years. However, above all, UNT will remain focused on our core mission to support our students in achieving their educational goals, graduating and building meaningful careers.

As Faculty Senate Chair, I look forward to doing my part through shared governance along with my colleagues to advance this mission and to ensure that every change that takes place here at UNT puts student success first. That is the most fulfilling part of the work we do as faculty, staff, student leaders, administrators and supporters. That is why we are here.

At the conclusion of our presentation, please join President Smatresk at the Rehearsal Hall to meet with eight of UNT's new leaders, including Jennifer Cowley, Provost and Vice President for Academic Affairs.

Now we present a video featuring UNT's successes, and we welcome President Smatresk.

[UNT's Foundation for Success video plays](#)

(Applause)

President Neal Smatresk

President Smatresk gave his address in conjunction with a PowerPoint Presentation.

[Download the PowerPoint Presentation from the 2017 State of the University address.](#)

Well, welcome and thank you for coming to my fourth annual State of the University address. I hope that that video made you proud. We've come so far in three and a half years. But we couldn't have done it if it wasn't for the complete engagement of our faculty, our staff, our administration and, yes, even our students. We have accomplished so much and I want to thank you for what you have done to make this university stronger, more solid, ready to leap forward. And for all the things that are yet to come we are going to have to continue that teamwork.

So it's been a great three and a half years, but I would be remiss if I didn't talk a little bit more about what is going to happen next and where we've been just in the past year. So many wonderful things happened that it's important for me to celebrate them with you, because they're your accomplishments. This year our enrollment topped 38,000 but, more importantly, our freshman class continued to grow, once again the biggest class we've ever accepted. Their qualifications were wonderful. We have more students in the top 10 percent. We have more students with high SAT scores. Our SAT scores, and they changed the test this year, but adjusted to last year's test, they jumped 6 points this year.

And we brought in 26 National Merit Scholars this fall. Now, when I got here in my first year, we brought in four. We decided we had to up our game. We brought in 14 the next year, 12 the year after that. But to bring in 26 is an amazing feat and a coup that puts us on a par with the best universities anywhere and proves once and for all that the University of North Texas is a first-choice institution. We have National Merit Scholars from all over the country, taking almost every kind of major.

And I need another thank you here. I see four people sitting down in the front row who are part of our President's Leadership Board. Each one of them has made a commitment to helping us fund those National Merit Scholars, and we could not have done this without you. But hey guys, we brought in 26 this year, we're going to have to up our game. But how about a big round of applause for our President's Leadership Board? *(Applause)*

Our Ph.D. enrollment grew. Now this is great. Our freshman enrollment grew, our Ph.D. enrollment grew. Those are the bookends of reputation. Freshman enrollment speaks to the

national reputation of our university and occasionally to winning bowl games. Our Ph.D. enrollment speaks to our international competitiveness in a tight market. When those Ph.D. students go out and enter the workforce, they represent this university and spread the good news about us. We graduated more students than we've ever graduated, a big gain from last year. This is important, if we're going to meet our state 60x30 goals, which you'll hear more about later.

We showed a remarkable change in the number of students who are graduating in four years at this institution. We had a 5 percentage point jump — that's almost unheard of — in one year. 35.7 percent of our students graduate in a one-year period — in a four-year period. One year would be great (laughter). And that number is nearly double the number that were graduating from here in about 2008, 2009. So we've come a long way toward removing barriers to graduation. But we still have a ways to go.

Our enrollment at the UNT New College at Frisco, and I'm so pleased to see the mayor of Frisco here — how're you doing, Jeff? — is 1,200, after one full year of operation. You might say, well, you're probably just getting those students who are a little irritated by I-35 and don't want to make the commute. Eight hundred of those students are uniquely enrolled at UNT at Frisco, and came there because of the new spirit, the dynamic new programs, and the energy that folks like Brenda McCoy and many of our deans are putting into this program. This is great news for us in a great area, we're forming some wonderful partnerships, and while I don't want to spoil anything, I'll just say, I believe there are truly great things to come in this partnership between Frisco and the University of North Texas.

This year, we have the most faculty that we've ever had. You know, I've said before, universities aren't built of bricks and mortar, they're built of the sustaining activity and commitment of a caring faculty. Nowhere have I seen a faculty that cares more than ours. I'm glad that we were able to welcome more faculty into the fold this year.

Our *U.S. News & World Report* rankings jumped three this year, from 13 to 16. That's quite a coup. While I don't love *U.S. News & World Report*, I'll claim it when we do well. And, instead of 68 programs in the top 100, by national rankings, we actually have 69. How did Barbara and I miscue on that? Well, yesterday, we found out that music entrepreneurship, a brand new, one-year-old program in the College of Music, was just ranked in the top 15 nationwide by *Billboard* magazine. So congratulations to John and the College of Music. It speaks of great things to come in helping our students to gain wonderful employment in this rapidly evolving entertainment marketplace.

Our research expenditures grew, not as much as we might like, but they grew. And we have done some remarkable things by our office of research, led so ably by Dr. Tom McCoy, our VP for research. Our customer service is light years ahead of where it was three years ago. People feel enabled to apply for bigger and better and larger grants, and we're seeing the evidence of that, even in the first month of this year. More grant applications than we normally see by far.

We're also seeing a real surge in tech transfer, and this is a critical area. We were, frankly, moribund in this area three years ago. But Tom brought in a real firecracker, Michael Rondelli — I don't know if Michael's in the audience, but you ought to get a chance to meet him and I'm

sure you'll be inspired — and in one year's time we have 50 patents filed, we have eight patents issued, six licenses executed and we're in negotiation for six more, and that's a big deal. That's a remarkable one-year change and I think will be a cornerstone of how we continue to build our relationships with the real world.

We re-organized several of our colleges to build their identities. The College of Science, the College of Liberal Arts and Social Sciences, our PACS with a school of health and a school of community service. And we had a record year of philanthropy, raising over \$30 million — congratulations, David — and I just got great news. David called me right before I came out and said that the Texas Grant Foundation gave us \$1.6 million to help students make transitions into careers and career selection from high school into college, and that was just the teaser gift. Another one should follow if we do our job and follow up. So we are hitting on all cylinders. And I'll make a bold prediction: Next year we're going to shatter this record and do even better. I see David sweating out there. *(Laughter)*

We recognized that we had a lot of infrastructure repair to do when I first got here. And over this past year, while there have been some growing pains, we've managed to get a new financial system installed, a little rough around the edges but now it's giving us greater capabilities than we've had in the past. And we've installed a new state-of-the-art data warehouse as joint efforts between system IT and this university. And I believe that the data warehouse that we've put into play takes us from worst to first. When I got here as you know, there wasn't a single unified data warehouse. How do you run a university with no data? Just two days ago, the data wonks — oh, excuse me, Jason and his company — came into my office to teach me the Insights program. And with a few quick keystrokes and mouse clicks I was able to zoom through almost all of our relevant metrics. And I know that moving forward, those metrics will help guide us into better decision making.

We broke ground on our new CVAD building. Arts and design are going to be a major feature of how we move forward with this institution. We began a new residence hall, a dining hall and The Eagle visitors' center. And this Eagle visitors' center is going to be a wonderful facility that puts us in competition with the best universities on a national level as we draw students in. We opened up our renovated Science Research Building and provided state-of-the-art space for some of our finest programs and institutes, and we've renovated other facilities because we need to make sure that our faculty and students have good places to do their work and to learn.

Now we've worked with several major global firms, firms that are recognized as best in class. We worked with the Toyota Production System. TPS is an ancillary unit of the Toyota company, and they are famous for lean manufacturing. Lean manufacturing put Toyota on the map and built them into a global giant. That TPS process is about becoming more efficient, more customer friendly, not wasting steps. And they've adapted that process to supporting agencies and groups like higher ed on a national basis.

Well last year they asked nine universities to participate, and they all said no except for us. I can't imagine why. They asked what we wanted to do working together to create more efficient processes at our university, and we said, well, we would love to get better at faculty onboarding. Now imagine this: Here we are, a big university with over 1,100 faculty members. We bring

them in, and we want nothing more than for them to succeed and to feel cared for and to have a good experience with us. Yet, about a year ago, faculty could come in, not get parking, not get a paycheck, not have a key to an office. And there was a lot of frustration around the feelings that we were bringing faculty in only to begin disenfranchising them. That's not good business for anybody.

Working with the Toyota people, we made a couple of simple observations. The first, we had to work with our system colleagues. Our relationships between this university and shared service — this may come as a shock — haven't always been smooth as silk. But we sat down in a room, under the leadership of Bob Brown and his team, and we made a commitment that we were in a no-blame zone, that we were going to work collaboratively to solve a problem rather than pointing fingers at each other. And lo and behold a year later, the faculty experience coming into our university has utterly changed. Now I won't tell you it's always perfect; it isn't. But when faculty come up and say, "I've never been treated this well before; thank you," I know we're making progress. And the number of systemic complaints has dropped to almost zero. We're doing better, and we're learning from industry how to leverage their strengths and turn them into our strengths. We're continuing to build in this process. We're continuing to work with Toyota. And we're building our own team internally to make sure that we continue to improve and own the processes we have and make sure that they're customer friendly.

We have continued to expand our partnership with the Dallas Cowboys, and, sorry about last Sunday, but it's a great partnership so I want to thank Tyler and Joe for being here, working also with Eric Sudol. We have talked more about how we can engage together, how we can offer internships, how we can develop educational programs that benefit both us and benefit the Dallas Cowboys organization. And this relationship is budding and blooming, and I believe will result in some more major announcements in years to come. So I look forward to what we can do together. Plus, love the marketing that we get in preseason games with UNT down-markers.

Finally, we began working with a brand new partner: NetDragon out of China. I doubt many of you have heard of NetDragon other than some of our inside folks. This is the largest gaming company in China, which is a big deal. They started off in artificial intelligence. They evolved into becoming the iTunes of China. They sold that off to Baidu for about 2 billion bucks, and then continued to evolve their gaming and are now pivoting into education. Dejian Liu, a friend of mine and a good guy, and I have built a partnership between our two institutions over the past year. This partnership I believe will fundamentally change how we do business and change the character of our institution. They may in fact right now, with over 2,000 people working in their education division, be the largest ed tech company in the world.

And we have established a partnership with them to work together to build new products, to develop new technologies, to move into an advanced world of online education that is next generation — not your grandmother's online. And we are currently working on projects that I believe have the capability of revolutionizing how we gather our students to learn and how we make it easy for our faculty to engage. This is a partnership that I believe will have a lot of legs, and I hope you'll hear more about it soon, and I'll be talking a little bit more about it as we move on toward the end of this talk. And finally, we played in the Heart of Dallas Bowl. It's wonderful to be back in a bowl game. It's great for recruitment, and stay tuned! I hope to see us there again this year.

So we've had a great year. We've had a wonderful year. And we're making really good progress. In fact, it's simple to say our finances and our infrastructure have improved dramatically. Our academic reputation is growing in very distinct and measurable ways. Athletics is on the rise, and our enrollment, graduation rates and retention are improving. This is great news, but I'm not putting up the mission accomplished sign. We've spent three years getting to this place, and now it's time to wonder, what are we going to do this year and how are we going to change going forward?

Well we still face some big challenges. You've heard me say before that high school demographics are falling. In fact, even here in Texas the number of college-qualified students is dropping except in a few key areas around the I-35s. This is a national threat, and it means everybody is fishing in our fishing hole. And it's going to drive fierce competition on a national level for our students here in North Texas. This is something we have to attend to. We're not going to sit back and let other people plant a flag in North Texas. We're going to make sure that we continue to be the preferred provider, and we're working hard in that region, in that domain.

Our transfer schools have declining enrollments, and we're having trouble with getting international students. Part of that's Washington policy, and part of that may be contributed to other factors — that other countries are growing their capability to educate, they're growing their employment and offering good jobs for their students, especially in areas like China and India. And even here domestically, employment's strong. When employment's strong, you often see the demand for getting master's degrees decline. We're a bit counter-cyclical. So this is another threat that we have to attend to.

And in this fiscal year, we're short about \$10 million that I would've hoped we'd had, due partly to legislative cuts, \$5 to \$6 million worth, and due partly to increased system charges for the services that we receive. We can't take our resources for granted. We've grown over a \$100 million dollars since 2014, since FY15. That's pretty good, but we need to make sure that we continue to provide revenue growth so that we can build to make a better education for our students and help them reach their dreams.

So to address these challenges, we have four areas we're focusing on. First, we need to continue to methodically build our research capacity, and we know how we're going to have to do that. But, let's draw on our unique strengths. Our creativity is unparalleled in the state of Texas and beyond. There's no question that our music are the best in state, but we have many programs that are incredibly strong. You heard we have 69 programs ranked in the top 100, many of those in humanities, professional programs. Let's use that creative core of this campus and put it to work in the service of our students to build them better programs. Let's focus on recruitment and retention which drives revenues and supports our mission and the governor's 60x30 mission — 60 percent of our students with a college education by 2030. We're not going to get there by diminishing enrollment or reducing graduation rates. We need to do a better job pulling people in and giving them a path to success.

We're going to improve students' access to education and learning by using new technologies. We're on the cusp of an incredible revolution. And that's actually something that is really engaging many of us right now. Let's make sure our students are at the cutting edge of that learning revolution. And finally, we need to expand our partnerships with the private sector to build better curricula and to leverage their expertise so that our students will be capable of having satisfying careers for their whole life.

Let's start with research. The research landscape is changing. It's changing pretty fast. Federal funds are down in most major areas except for the Department of Defense. There is an intense competition for faculty members and doctoral students. The best brains now exist in a seller's market, and they're commanding great premiums and salaries. We need to compete, and we have to rise to meet that challenge. Again, it's a revenue-related issue. The research funding from the private sector may be our best growth opportunity in years to come and we should be more intentional and more mindful of how we engage and harvest that resource.

And finally, while our funding's growing, we're low compared to our peers. We didn't get an early start in engineering and science. And, we need to have a long, steady plan to close those gaps. So what are our action plans for research?

First, we will, of course, continue that methodical build through high-impact hires, adding research space and investing in research institutes. And it gives me great delight to announce that this year, we're searching for a new institute director for the Center for Autism Spectrum Disorder Studies. We have an incredibly talented faculty scattered across the university, which is great to build interdisciplinary and collaborative research, but requires a seed crystal to kick it off.

With a growing national problem like this, it also shows just how engaged our university is in making a difference in the real world. And I want to congratulate Linda Holloway, our new interim dean of PACS. She's just launched the Blue Zone, which is a program designed to support students who are on the spectrum and help them to engage and be successful and help our neutrally diverse population to succeed. And that will include faculty, staff as well as students. And I'm very excited about this program.

We're going to expand our doctoral funding. Again, that takes resources. We're going to develop more multi-PI, multi-institutional and large program grants. We're doing well in this, in some areas. Our BioDiscovery Institute just pulled in a giant grant and that is with multiple institutions, I believe. We have also brought in a terrific amount of money from the Department of Defense through our materials science and engineering programs. This is great news for us. It's just the start. We need help from our federal friends, like Congressman Burgess and others, to help point out these incredible opportunities when they arise.

We also are going to continue our build. Our fastest growing program right now is our biomedical engineering program. We need space for it, so we're going to be putting up new space at Discovery Park. This will be a feature that we have to apply. We have to grow when we see opportunity and new grant opportunities.

And finally, the way we're going to develop research, again, has to harken to our creative core. So, programs like A2RU — the arts engagement and research universities — this type of program, which brings in researchers, visual artists, people engaged in design thinking, and all different types of talents, can help celebrate who we are. This is on the cutting edge of, I believe, a new national movement and we need to encourage collaboration that brings technology and creativity together on our campus. And so I think you're going to be hearing a lot more about this as time goes on.

Enrollment. Well, again, I told you there's a fierce competition. And I won't belabor all of these points, but we have to continue to refine our financial aid recruiting plan under the able

leadership of Shannon Goodman, our VP for enrollment. We need to continue developing marketing automation for our Salesforce, that's our CRM, so that we can deliver better materials. Actually, I have to give Shannon a shout-out again on the National Merit students. This year, as they came in and visited the campus, one of the consistent comments was they loved what they received from us; it made them interested in the institution. They loved the number of touches that they received. And that really made a difference, along with the help and support of all of our deans and chairs and faculty who were so engaged in bringing in these students who truly represent the best and brightest.

We need to really expand our international recruiting efforts and articulation in China and India. I have launched a number of programs now working with China, and Costas has been working hard to expand articulation programs with Chinese universities. And just recently, Kinshuk was on a trip with me to China and has just returned, along with Costas, from a trip to India. We have a regent, A.K. Mago, who is incredibly connected in India. He is a door opener and he is able to get us access to students in universities that might not listen to us. We're taking full advantage. We have a full-court press to learn how to harness the brain power of China and India and bring it here in service of our institution and our economy. I'm very excited about these developments.

We're also working with places like the Dell design team. We won a national competition, which was pretty great given that Dell is here in Austin. And the Dell design team is going to work with us on developing seamless pathways for community college articulation. This is fun. When I say, "the design team," you're going to hear the word "design thinking" increasingly over the years to come. Design thinking is problem-solving in diverse groups that helps us cut through barriers and re-imagine outside of the ordinary boundaries that we normally lock ourselves into. And this project is with Collin County Community College, and we're one of the exemplars in the United States so hopefully we'll do a terrific job and our Collin County friends will be able to celebrate with us as we eliminate barriers to transfer.

Finally, as I said, we're beginning construction of new facilities, which will put us at the forefront of recruiting and certainly help us with our campus tours and our ability to show people that we're putting great amenities in place as students come here for a rich, deep and vital university experience.

Now, recruiting students is only half the battle. There's an old saying in higher education that, for every student you lose, that you don't retain, you have to recruit three, because of the reputational issues that surround that. Retention is incredibly important. We've made some strides in retention, but they're quite incremental. Under the leadership of our new provost, Jennifer Cowley, we are going to be developing a best-in-class comprehensive plan for improving retention using our new data capabilities, which is important. And she's got a team that's working on it right now. We don't want to move a point a year, although we'll take it if that's the best we can do. We want to see if we can challenge the retention of the best universities in the country with a first-generation population. Because this state doesn't get to where we're going to go, where we need to be to build a prosperous economy, if we don't welcome and encourage everyone and show them a success path so that they can move forward.

We're going to use data-driven approaches and predictive analytics to improve student performance. That's part of retention. Of course we're going to expand advising support. We're going to give better financial aid delivery to help them. We see a trend where students get to junior or senior year and they just kind of run out of gas. They might be working really hard,

maybe they're married and they have kids, and a bunch of bills are piling up. And that last bill is just too hard to pay. And they drop out.

How do we help them bridge that gap? How do we help them become successful when a few dollars can make such a permanent difference in their lives? This is a critical issue. And one that we really need to look at. I think there is great opportunity in helping us to get these students over the hump so that they can enter the workforce.

And finally, we have to remove barriers to graduation. Now, we've been working on this, and you're seeing our graduation rates improve. But we still have them, here and there, where we put little stumbling blocks in the way — sometimes for good reasons, sometimes unintentionally. But we have to work on it. We have to recognize that we have to clear those skids so that our students can be successful.

So we set our sights on providing our students the best education in the state of Texas, building our national reputation and closing the gaps with nationally prominent institutions. When we did this three years ago, and I'll say that it's still true today, we knew this wasn't a one-, two- or three-year project. This is a marathon not a sprint. It's going to require consistency and discipline and a plan. And I think we've got a great team in place now to be able to execute that plan and continue that path that we've put ourselves on, that embeds us more deeply with the reputation and the successes of the best institutions in our country.

But, what are we going to do in the meantime? How are we going to change? Are we going to accept it's 10 to 15 years before we make it, or are we going to take a page from the playbook of the modern world. A world that is changing so quickly that you hardly know what companies are going to be the most successful companies, who's going to be the next phenomenon.

We have to learn from what's happening in the world around us. As digital economies emerge, the creative disruption of business is occurring at a record pace. Companies that stay on top of it, that are nimble, that are adaptive, win. Companies that assume the old ways of doing business, languish. So we have to challenge ourselves to ask whether there are models and methods that can help us to emerge more quickly that can improve our student success. We have to learn how to change and to keep pace, and we're off to a really great start.

We need to look at how the growth of the digital economy is disrupting businesses, education and the workplace. So here's a few quick tidbits. Digital economies change quickly and they require constant retool/refresh cycles to stay competitive. Artificial intelligence and robotics are replacing routine work. If you haven't been reading the newspaper lately, you'll hear things like, San Francisco's considering a robot tax. For every person replaced, the company gets a bigger tax. You hear the head of Wells saying, "Many humans in the banking business already work like robots, we're going to replace them with robots." You'll hear other people with a little longer-range view saying, "This is an opportunity for all of us. This is an opportunity for humans to figure out their strengths and to work side by side with AI and robotics to develop new economies, to bring our particular skills to the fore."

Big data and personalized analytics are changing how we make decisions every day, and this is now. This isn't three years from now. Big data is running the universe. And these changes aren't just happening here in the United States, or in the first world, these are going on everywhere.

People with mobile devices are figuring out new ways to make money in virtually every country in the world.

I was just in an incredible conference in India. I got invited as one of 50 U.S. representatives for a deep conversation around security and economic security and economic development. There were governmental leaders and the captains of major industries. India also had 50 people attending. It was a heady crowd. You know when you're sitting at the table with the chair of Tata Sons, the largest conglomerate in India and one of the biggest industrial conglomerates in the world, and he is regaling you with the challenges of building digital India. Did you know that India has a unified strategic plan for the digital future? Did you realize that they're changing more rapidly than we are and engaging a future in a very real way to change how they do business and to change the lives of the people of India?

We don't have a plan like that for the U.S., but this global phenomenon is amazing and here's what the guy from Tata Sons, actually, probably one of the smartest conversations I've ever had, and I don't mean on my side. He's truly insightful. And he said, "We have to move fast. Businesses are changing. Even hard infrastructure is changing, our electric grid is not going to be the electric grid built in the U.S. You're electric grid is vulnerable. How we build with nano grids, micro grids, macro grids, all guided by artificial intelligence so that we can deliver the power we need when we need it, where we need it, is going to be vastly superior to what you're doing."

And then he said, "Electrons — they're not one-size-fits-all any more." Poof! My head blew up. These folks are serious. He said, "We're being disrupted. We're looking at new futures. Higher ed needs to catch up. You have not changed. You haven't changed yourself for 2,000 years. What are you going to do to help change the world, a world that is rapidly leaving you behind?" And that really got me going. What an incredible observation.

So, what do we need to do? First, our curricula has to evolve, it has to change, and I think we all know this. We have amazing talents on the part of our faculty. We have the best faculty I've seen anywhere because they care and because they're very talented and I'll put our faculty up against any faculty anywhere in the country. But when we teach, what we have to emphasize is creativity, communication, teamwork, design thinking and innovation so that we can robot-proof our students. This is going to be critical. These are great skills, skills that aren't easily emulated by machine intelligences.

We need new programs of study that we can develop very quickly so that we can keep up with the needs of business cycles. We need to establish digital natives. We need digital natives to be offered learning opportunities in the formats they want. So, you know, one of our faculty members, who's really, really smart in this, says, "There's no such thing as a digital native, everyone has to learn." Fine. But when our 1-year-old grandson picks up my iPhone, turns it on and starts flipping through the photo albums and getting into the text mode and sending random texts to people who I know (*laughter*), I think the world's different!

So you can call them what you want, but their facility with this device is like nothing I've ever seen. And guess what they're going to want. They're going to want to gain access to the marketplace, they're going to want to do work, they're going to want to get their education, right from here (*holding up phone*). We need to step up. We need to deliver that. The marketplace is already working on it. Now it's our turn.

New technologies, artificial intelligence, big data, augmented reality, virtual reality. Some of you may be incredibly familiar with these terms, for some of you this probably sounds like science fiction. I promise you it is no longer science fiction. This is happening right now, today. It's changing everything. We will have to deploy these incredible technological advances to improve student learning and develop better learning ecosystems. This is going to be utterly critical for us.

And the way we're going to do it is through partnerships within our own faculty with the expertise we have, collaborating across many boundaries and working with folks like the NetDragon people, who have deep expertise in this area.

We need stronger public-private partnerships also, and that's because we need our students to be connected to the marketplace, but more importantly, we need to be connected to the marketplace. Not only do we need to understand the needs of employers, we need to figure out how come they're doing so well and steal a little of that secret sauce for us. That's the kind of thing we need to do.

So, over the past three years, I've watched a growing pile of pieces. Partnerships. Creative faculty. Design thinking. A commitment to building better educational programs. A recognition that we're in a competitive marketplace. And the competition's only becoming more fierce. So while these pieces have been accumulating, we need to gather them up to create the next-generation research university. Let me emphasize that, a great next-generation research university.

That's what we're going to become. That's our goal and this year, we're starting to put those pieces together. So what are we going to do to engage this disruptive world, this creative destruction that you're seeing around you? First, we need to hire leadership to launch next-generation learning technologies. This is important because right now there's no single locus for it in the university. We need a leader who can come in, help us, mold us, take the talent, tell us where the gaps are and allow us to move ahead with these bold plans.

We're going to work with companies like NetDragon and other partners to create this. I love working with Dejian. I was in Fuzhou not too long ago, and Dejian threw out a casual remark: "Oh, you know, by the way, I have a university." I went, what? He said, "Yeah, I have a little university, it's got about 8,000 students. They have 94 percent employment. We offer them associate's degrees. How would you guys like to come in and help offer bachelor's and master's degrees there?" Yes, we would. Offering degrees in Fuzhou as the provisional government agrees to expand their footprint, build them new campuses. Students who can live far more cheaply in China can gain access to what we have to offer through a great partnership.

But the underlying underpinnings of that are, in order to get the people he needs to run his company, he had to build his own university. He wasn't getting it from Chinese universities. He actually looked at us and said, "You guys, you guys at UNT, you're light years ahead of Chinese universities. We can't do this there. They can't change that fast." I was a little shocked, because I thought things were changing really fast in China, but it was very gratifying to know that we had something to offer that really resonated. And then he blew my mind yet further. He said, "So, the Chinese government's working on a project, and they want me to take a lead in it. It's going to be called China Online. How'd you like to join?" Yes, we would. I said, "How many students are you going to have?" He just laughed and goes, "Millions."

So now, working with Dejian to develop next-generation technology in online education, using artificial intelligence, virtual reality, big data and analytics. Not building education that was good five years ago. Building education that's going to be the leader, five and 10 years from now. That is a noble goal. That is what we aspire to be. And now you add, oh, John Murphy's amazing jazz appreciation course, jazz history course, which is already brilliant and you power it with those learning engines. And you offer it to China because they like jazz there too. And instead of \$453 a credit hour, you offer it for 40 bucks to a million students. Can anybody do that math? Anybody want in? 40 million bucks for an asynchronously delivered class to a million students. John, you might get your new building if we can make that real.

That's the kind of opportunity that we need to be mindful of, that we need to take care of. That's why I say, let's expand our corporate partnerships. Let's engage in nimble curriculum course development and keep pace with the market. That's why this year we're going to launch a number of town halls with faculty and staff members engaged in a design process to help us work as partners, as business partners with NetDragon to develop innovative new software. We're already working on one called Smart Campus. It's an incredible tool that should enable learning communities and faculty communication both online and face to face.

We're going to invite faculty from different groups in, and we're going to ask them to build the ultimate software package. And as we achieve design specifications, we're going to execute this until we have a great product that we can sell nationally with NetDragon, or even internationally. So, what are we going to do? We're going to turn into innovators and entrepreneurs. Our culture has to learn how to do this if we're going to teach our students how to do it. What an incredible opportunity, and you know what? It's fun. We tried it this summer. I was so gratified by the results. People engaged and the words "no" and "but" were eliminated from the conversation.

This is going to be a revolution. This is going to be something that happens this year that's really exciting. So we will work with NetDragon. We will work with Toyota. We will work with the Cowboys. We'll work with Frisco. We'll work with Denton. We'll work with Dallas. We'll work with everyone who wants to bring something to the game to help us move ahead to help our students. And along the way, we're planning a new state-of-the-art classroom and innovation center that should be the ultimate place to encourage just this kind of collaboration, create more porous departments, easier boundaries that can be crossed between colleges. I heard a lot about that yesterday. And I'll tell you about that in a second.

So, we're going to change, but there are a few things we just can't lose sight of. As we change, we need to remember some core values and principles. The first: Debbie and I came here and in our first visit we accidentally ran into a student who was working in a restaurant. No surprise here in Denton or in Dallas. And we talked to that student about what they were doing and she said, "Well, I was at UT but I hated it and I came to UNT and I love it." We said, "Why?" She said, "Well, the faculty care and I feel like I'm a real person there. I feel like people care about me."

I've said it before, I'll say it again. This is the abiding strength of our institution. I've never been at a place where I saw caring translate into student success any better. What a wonderful pillar of how we move forward. You know, as we care about each other, we change ourselves, and as we care about our community, we change the world. So let's keep the caring core because I'm pretty sure that's something that robots don't do as well as we do. Let's celebrate our creativity and build on those strengths, and let's take that caring and that creativity and make sure that we're

working together, that we're collaborating to bring about the change that we're looking for to build a nimble, student-centered culture. Because if we do that, the sky is the limit and we can achieve anything we set our minds to.

Now this summer we had a Planning Implementation Workshop. We invited the Cowboys. We invited Toyota. We invited NetDragon. And people got kind of worked up and excited. In fact, I'm going to bring private employers into the room more often because our faculty were kind of trampling over me to get in front of them to say, "Hey, I've got ideas." There was a lot of energy in that workshop. And we captured some of it in the next segment.

[Becoming a Global Leader in Education Innovation video plays](#)

(Applause)

So, that just makes me feel good. You know, I see that and I felt the energy that our faculty had and the passion they had to engage in new ways. We have really come a long way. And this is the beginning of the next phase of our evolution. And I couldn't be more excited, but you know we're not in it alone. We need all of you, we need our community, we need our legislators, we need our administrative team, our faculty, our staff and our students. Working together, I don't think you can stop us. Working together, we can achieve this vision. And the vision starts today, it starts now, with all of us pulling together.

To illustrate the point, yesterday, I was in a meeting — the provost and I meet periodically with the deans and it was my first meeting with the deans of the calendar year — and I asked them to go around the room and say what you are excited about? What is it that you are excited about this year?

I heard the most passionate enthusiastic answers I have ever heard in my life. We're excited about our new brand and our identity. We're excited about growing our research programs and really focusing. We're excited about engaging in UNT New College at Frisco. We're excited in working with NetDragon and these companies to build this new technology. We're excited about the future. We're excited that we're brave enough to be different, to take a chance and to grow in new ways. We're ready to collaborate. That's what I heard, and it took me aback. I can't tell you how different it was from three years ago, when we were so engaged in our own little worlds.

But to hear this really stirred me deeply, and I couldn't be more enthusiastic and it motivated me. I was expressing how happy I was about the moment, and one of our deans who's been here quite awhile, 20 years, interrupted me. And she said, "You know, Neal, stop. I've been here 20 years." And I was ready for the "and nothing's changed" conversation. What she said was, "Twenty years ago, we had meetings in the president's office. We were not allowed to speak unless spoken to, and we weren't asked to speak much. We were told what to do. And now it's so different. We can talk, we can share opinions and we can dream."

And I think that's the lesson today. We're here to dream, because if we dream big, we can help our students connect to their dreams. That's why we're here, and that's what we're going to do. Thank you all very much.

(Applause)