



State of the University Address

Seattle Pacific University
Philip W. Eaton, President
September 25, 2002

As you leave today, we will be handing out a sort of written State of the University at the end of the service. We have collected some of the things that are happening all across the campus. There is so much going on. As always, I would like to know what everyone is doing. And I would like to say thank you to each one of you. What a job you are doing as a team. I am very impressed and I am very grateful. Thanks to John Glancy, working under some pressure, and Marj Johnson, for putting this together. I hope this is a helpful way to recognize our people.

Let me recognize the groups of people who are here: faculty (the core of the enterprise), staff (the supportive role so critical to our success), student leaders (the greatest students in the world), alumni council, trustees (who come alongside us in so many ways). I would like to give special recognition to the Vice Presidents (Marj, Don, Bob, and Les—these are hardworking, competent, very committed people) and to Sharon (my partner in so much of the work of the university).

A year ago we gathered our family at the Colonel's House at Casey. Andrew, then two, was curious about who and where the colonel was. I said I am the colonel. He said, no, I'm the colonel. Challenge of authority—he's going to make a good faculty member. This year we were with the kids in California and Andrew, now three, said we are both colonels. What a nice sense of team.

We are all colonels. We in this room are the team for Seattle Pacific University. I am so grateful to each one of you. I have said in the past: every great organization needs a clear and distinctive vision and a great team. And we have both.

An opening comment on enrollment and the beginning of the year:

- Tomorrow afternoon we will welcome 845 new students with their parents and families. Then over the weekend we will greet 3,530 total students (2,800 undergraduates and some 735 graduate students). Our new student numbers are a little soft, given the impact of the economy on family decisions. But our returning numbers are very strong and our graduate numbers are strong. We will be monitoring the impact of the enrollment softness and report to you along the way.

Our SAT and GPA numbers remain very strong. And one extraordinary note: just this week Janet Ward reported that our graduation rate took a huge leap to 60%. This is a big deal. This comes from the maturing of our Common Curriculum, improved faculty advising, great financial aid strategy, recruiting the right students, a great residence life program, a great spirit on campus, and so on.

And so we are off to a great start for a great year ahead. As I talk to the parents over the next days, I realize what a huge responsibility we have. These numbers represent real lives. Sacrifice by families. Great hopes and expectation. They are entrusting something very precious into our keeping.

I want to talk to you this morning about Seattle Pacific University as a premier, national Christian university. This is my theme.

Our new mission statement will be placed on the walls of all departments in the next week. We will be removing the old statements. You will recall that our mission statement reads:

Seattle Pacific University seeks to be a premier Christian university fully committed to engaging the culture and changing the world by graduating people of competence and character, becoming people of wisdom, and modeling grace-filled community.

The way we worded this statement says quite boldly that we are a premier Christian university. And I believe that. And yet it also says we seek to become a premier Christian university. It is both a statement of fact and a statement of aspiration.

As Jennifer Kenney said yesterday—it's like faith. Or kingdom of God theology: even now, and yet to come.

- Rob Wall and I were sitting at dinner at the Faculty Retreat at Casey and we were both commenting on what a great faculty we have. Rob was exceedingly proud of his colleagues. The finest of any evangelical college or university in the country. What great new faculty. What extraordinary scholarly productivity. What great teachers and mentors and models. What outstanding Christians.
- And then I think about our students. We have the greatest students in the world. Smart and getting smarter. Curious and eager to learn, and yet eager to make a difference in the world. Eager to grow in faith. Eager to grow in character. Students who will become graduates of competence and character.
- And then I think about our graduates. One of the thrilling parts of my work is to get to know more of our alums out there all over the world, seeking to change the world to make it a better place. Extraordinary people.
- And I think about our new science building. We are building a premier science facility! We knew our science facility and resources were not adequate. We searched to articulate a vision for the sciences as part of a premier Christian university. And we invested, \$24 million in this one building, \$30 million total. And now our faculty are stepping up to the vision in big ways, bringing in grants to help them revise and renew their curriculum. What a great story of what it means to be premier.

And so I think we are a premier Christian university.

- We live in one of the most beautiful and creative and dynamic cities in the world. The sun rose this morning on Mt. Rainier and all across our waters. Where else would anyone want to work or go to school?
- Overall we have some the best facilities of a university our size in the country.
- We will open the new Center for Scholarship and Faculty Development, a new commitment to investing in our faculty, an initiative that has huge potential.
- We have an amazingly rich worship program.
- We have a top-ranked residence life program, a top-flight student leadership program.
- We are receiving more and more academic grants from national foundations, something I have pressed for from the beginning. We have momentum.
- We will open our public campaign with a goal of \$52 million—and we are already close to \$30 million, even in a very tough fundraising climate.
- Our faculty salaries are beginning to be very competitive.
- We have more visibility in Seattle and the region than perhaps we have ever had.
- We have launched the Ames Initiative to bring more minority students to our campus and to support them and teach them and ensure their success. We are building better bridges into the city.
- By the way, our NASC accreditation visitor said to us in her review last spring

that we are too good, too premier, to still be on the quarter system. We have got to make the move, folks, to a semester system of some sort over the next three years. I have asked Les Steele to lead this charge. After consultation he will bring back to me by the end of December a recommendation. We've got to do the right thing and make this change.

- After now capturing our vision into our mission statement, I have pledged a renewed and rewritten faith statement for the university. I will be forming a task force to go about that work throughout the year. This is our anchor, our center.

All of this says premier. And all of this so that the world will know the grace and love and light of Jesus Christ. We seek to be premier so that all of God's children will flourish.

But we also have a lot of work to do. We also seek to become a premier Christian university. This afternoon we will present to our board a strategy called "Understanding the Vision and the Economics of a Premier, National Christian University." We are proposing a bold new step forward.

Essentially, this plan is an effort

- to define more clearly what it means to be premier (the indicators),
- to clarify what resources are necessary (the investment requirements),
- and to outline a strategy that will get us there over time.

Though we are premier, we have some vulnerabilities. If we do not make some changes now, I believe we will exacerbate those vulnerabilities over the next years. Now is the time to make our move.

So what does this new strategy look like?

We recognize first that our current economic base needs to be strengthened.

- Our demand needs to be stronger, our applicant pool larger. This will increase selectivity and improve our graduation rate, two critical indicators;
- Our margins are too thin to absorb much if any fluctuation in enrollment;
- We are absolutely at capacity on our campus—residence halls, classrooms, offices.
- Our revenue streams are not diverse enough—we are too dependent on tuition;
- Our endowment, while growing, needs to be larger to support our aspirations. We have lost some \$8 million over the last two years in the market value of our endowment;
- We have just been informed that demographics in the Western region are flat, that net-immigration has dropped, and of course our region and our country are in a clear economic downturn.
- We learned the other day that we still live in the most unchurched part of the country—33% belong to any religious connection. That's a limited market for students and funds.
- While our tuition price remains competitive, our financial aid discount needs to be increased;
- We have added some debt to our budget to invest in various facility needs;
- And of course costs continue to rise—think of things like technology and medical insurance, our strong commitment to salaries over the last four or five years, and of course the cost of keeping our facilities strong.

This is the state of higher education today. This is a list that most colleges and universities like ours is wrestling with at this moment. You can read it all over the *Chronicle of Higher Education*, the *NY Times*, or the *Wall Street Journal*. You can hear

the outcry from the public institutions on just these issues. There is a lot of hand-wringing going on right now.

But I can't stand hand-wringing. We've got to do something.

- **And so what does the strategy propose?**
- **First we must continue to invest in our vision and our people!** We have a list of investments necessary to become premier and national. The vision and the strategy will tell us where we need to invest, but we clearly have needs if we are going to take the next steps. And if we are going to invest, we better be talking about the return on investment.
- Second, after a great deal of work and study and analysis, we believe it all comes down to the critical need to **diversify our sources of revenue** and **broaden the base of support**. Those sound like big abstractions—but they are really very concrete.
- **Third, a key way of saying all of this is that we need to be premier and national. We are building the plans to go national with fundraising, recruiting of students, and positioning.**
- **And finally, we will need to measure the results of our efforts over time and continue to modify the strategy.** We have a set of Economic Indicators of a Premier, National Christian University. And we are developing a set of Educational Indicators of a Premier, National Christian University. The indicators include such things as admit rates, graduation rates, selectivity measures, faculty salaries, growth targets for fundraising, endowment per fte, revenue growth targets for graduate programs. We have a comparison group of 91 other institutions to help us set these goals. The Educational Indicators fold in all of the work being done on outcomes assessment.
- **I might add that the strategy is long term. Be patient.** There are four stages to this plan. Our current budget. Our five-year budget where things begin to take shape. Ten year goals and twenty year goals.

And so we are a premier, national Christian university. And yet we want to become a premier, national Christian university. We are trying to define very clearly what that means and set a plan in motion to get where we need to go.

Let me conclude by talking about vision. The vision has to be the driver to all of this.

Here's a conviction I have: no one will support being or becoming a premier, national Christian university unless we continue to articulate a clear and compelling vision.

As I was writing an op-ed on character and leadership this summer, I went back to the work of James Davidson Hunter in his book *Character Is Dead*. This is a disturbing book. Hunter says that "character matters, because without it, trust, justice, freedom, community, and stability are probably impossible." And I think that is true. The business scandals and the scandals in the church this summer were not the result of too few laws or regulations—they told us that character was missing from the picture.

Hunter goes on to say that "character is dead. Attempts to revive it will yield little. Its time has passed. . . . the social and cultural conditions that make character possible are no longer present." I gave a speech downtown on character formation at SPU. And one of my colleagues from a state university said "you can't do that."

And then Hunter says something very important for our purposes: "implicit in the word 'character' is a story. It is a story about living for a purpose that is greater than the self."

As Professor Rick Steele told us some time ago: "To have a passion that is life-long you must invest in a story that is endlessly tellable."

And that's where we come in. The quality of our university is defined by the big purpose we decide is important, the big story that defines our work. The quality of our individual lives and work is defined by the big purpose that is so much bigger than our own self interest.

To be premier we have to have a very big story that shapes the way we do our work, a story that shapes our individual lives. It must be a story big enough to invest our lives. It must be a story compelling enough for others to invest

Here's one way of talking about the big story. I go back to a statement I have used before from the New Testament scholar N. T. Wright in his book *The Challenge of Jesus*:

“Our task, as image-bearing, God-loving, Christ-shaped, Spirit-filled Christians, following Christ and shaping our world, is to announce redemption to the world that has discovered its fallenness, to announce healing to the world that has discovered its brokenness, to proclaim love and trust to the world that knows only exploitation, fear, and suspicion. . . . The gospel of Jesus points us and indeed urges us to be at the leading edge of the whole culture, articulating in story and music and art and philosophy and education and poetry and politics and theology and even, heaven help us, biblical studies, a worldview that will mount the historically rooted Christian challenge to both modernity and postmodernity, leading the way into the post-postmodern world with joy and humor and gentleness and good judgment and true wisdom. I believe we face the question: If not now, then when? And if we are grasped by this vision, we may also hear the question: If not us, then who? And if the gospel of Jesus is not the key to this task, then what is?”

That's the vision. That's why we need the appropriate resources. That's why we need to fix our vulnerabilities. That's why we need to invest in our people. That's why we need to be a premier, national Christian university.

Let me share with you one of my guiding texts for this coming year. It is perhaps a text for our moment:

“Enlarge the site of your tent,
and let the curtains of your habitations be stretched out;
do not hold back; lengthen your cords
and strengthen your stakes.
For you will spread out to the right and to the left,
And your descendants will possess the nations
And will settle the desolate towns.” (Isaiah 54:2)

God bless each one of you as you contribute your special gifts to a very big purpose.

