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The Future of Higher Education in the 21st Century: free pathways, creative-cross-disciplinary programs and online resources



A workshop with Prof. Dianne H.B. Welsh, Fulbright-Hall Distinguished Chair for Entrepreneurship in Central Europe at Wirtschaftsuniversität Wien

Welcome & Introduction: Dr. Lonnie Johnson, Executive Director, Austrian Fulbright Commission
Mag. Elisabeth Fiorioli, Secretary General, **Österreichische Universitätenkonferenz**

Facilitator: Prof. Gerald Steiner, Donau-Universität Krems

AMERIKA HAUS

Thursday, June 25, 2015

11:00 am – 1:00 pm

R.S.V.P. by June 22: programs@usembassy.at

Friedrich-Schmidt-Platz 2, 1010 Vienna



Prof. DIANNE H.B. WELSH is the Hayes Distinguished Professor of Entrepreneurship and Founding Director of the Entrepreneurship Program at The University of North Carolina Greensboro. She has previously founded two entrepreneurship programs and centers and has held three endowed professorships. Dianne is a recognized scholar in family business, international entrepreneurship, women-owned businesses and franchising and has seven books and over 150 publications. She has three new books, *Creative Cross-Disciplinary Entrepreneurship*, published by Palgrave-Macmillan, *Global Entrepreneurship* (2nd edition), and *Case Studies in Global Entrepreneurship*, published by Kendall-Hunt. She is the Chair for the Technology and Innovation Management Division of the Academy of Management

with 2,700 members and has served as President of the U.S. Association for Small Business & Entrepreneurship and the Small Business Institute. Dianne is a Fellow in the Family Firm Institute and a Certified Family Business Counselor as well as a Fellow in the U.S. Association of Small Business & Entrepreneurship. She served as a Presidential Appointee to the US Air Force Academy and the Defense Advisory Committee for Women in the Services (DACOWITS). She is the Fulbright-Hall Distinguished Chair for Entrepreneurship in Central Europe at WU (Vienna University of Economics and Business) in the spring of 2015.

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The Importance of Quality Teaching and Research in Light of the Challenges to Higher Education in the 21st Century

Professor Dr. Dianne H.B. Welsh
Fulbright-Hall Distinguished Professor of Entrepreneurship for
Central Europe

Hayes Distinguished Professor of Entrepreneurship
Founding Director, Entrepreneurship Programs
University of North Carolina at Greensboro

1- Continued increase in online college and university offerings

- Fading geographical and time boundaries
- Increase in online programs at AACSB certified schools from 27% to 32.2% from 2007-2012
- Increased outreach for students in emerging markets, such as Africa and South America
- Declining student population in Western Europe and expected decline in US high-school students in 2025 and beyond



Image source: coursesinindia

2- Changes in the advanced online marketplace are monumental and daily

- 65,000 enrollment at Fathom for-profit online platform at Columbia University from 2000 to 2003
- Millions of enrollments at massive open online courses (MOOCs) in less than a year for FREE
- Internet facilitated a FREE global access to the world's most renowned professors and universities
- Entrepreneurship and Innovation education now online



3- Explosion worldwide of start-up ventures by new and existing organizations

- MOOCs increase the potential to create, innovate, and launch new products, services, and businesses.
- Amazon's plan to deliver goods by drones
- Richard Branson's launch of Virgin Galactic, Moon Express ,
and Space X paving the way for private space travel
- Launch of iPhone 5S[®], the Google Glass[™], and the Nike Fuelband[®] by Apple[®], Google[®], and Nike[®]



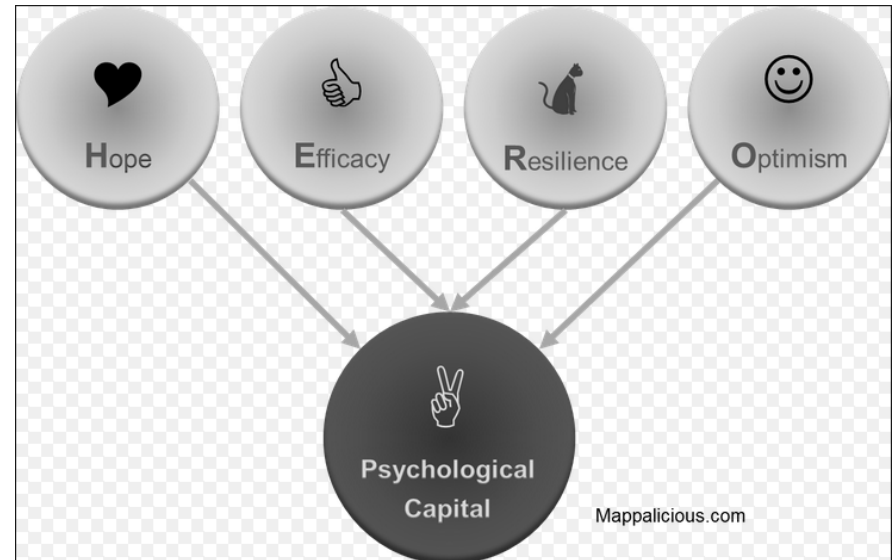
4- Greater personal access to knowledge

- Healthcare devices, such as Alivecor[®] heart monitor smartphone add-on, help individuals get more exercise and watch calories resulting in increased personal responsibility for one's health
- Personal Productivity apps for smartphone such as Timeful[™] intelligently help individuals find time to do things they want to do



5- Higher levels of Psychological Capital (PsyCap)

- Positive PsyCap followed by increased access to knowledge brings a greater level of individual confidence and positive perception of individual capabilities
- Core constructs of PsyCap:
Hope, Efficacy, Resilience, and Optimism
are regarded as the “HERO within”



6- Higher levels of organizational confidence that leads to greater overall performance

- Increased individual knowledge has led to higher levels of individual PsyCap that can be raised with online and face-to-face training
- Research over the past 10 years found that employees' PsyCap is positively related to desired attitudes, behaviors, and performance and negatively associated with undesirable employee attitudes and behaviors
- Worldwide boom in online education will result in a major impact on individual and organizational PsyCap leading to better performance
- Organizational PsyCap develops through employees interacting over time

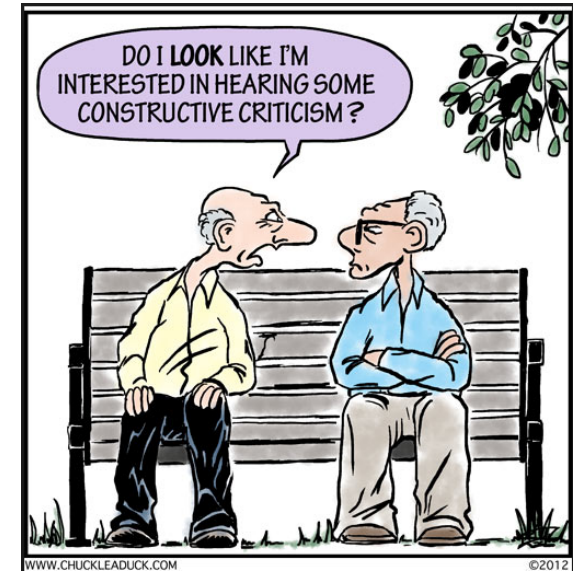
7- Increased student control and individual decision making

- Students want personal control over their university fees and the right to choose what they participate in and what they pay for
- Universities have to give the students what they want in order to survive with the increasing competition for students



8- Visible, open access by organizations with input and feedback loops

- Universities have failed to explain the rationale behind their decisions and have not provided a sounding board to air complaints and opinions
- Social networking tools such as Facebook®, Twitter®, and other electronic communication have catapulted students to a larger environment than just academia
- Input on how students perceive the curriculum, how useful it is, and how it may shape their future are valuable and needed for relevance



9- Less prerequisites and requirements for majors and graduation at traditional institutions of higher learning

- Standard curricula based on knowledge of the past and civilization- being replaced with general courses
- UCLA, home of the largest English major in the US (1400 students), replaced their requirements in Chaucer, Shakespeare, and Milton with 3 courses in four areas: gender, race, ethnicity, disability, and sexual studies; imperial, transnational, and postcolonial studies; genre studies, interdisciplinary studies, and critical theory; and creative writing



10- Clearer constraint-free pathways to achieving success

- Students still want to achieve material success, but to them the American dream is also the ability to pursue which road to travel without constraints



11- Increased transferability

- Transferability of courses, skills, and credentials around the world is not easy to do
- Students face challenges transferring courses from the US community college system and end up taking similar courses once at a 4-year college or university
- In March 2014, the 58 community colleges and 16 four-year universities signed an agreement that guarantees that every University of North Carolina campus must recognize any and all of the 30 semester hours of courses that the student completes with a C or better

Transfer
Credits Easily




12- Standard academic course numbering systems

- Course title; identification numbers, department abbreviations, course descriptions are comparable between public institutions within the state for both 2- or 4-year institutions of higher learning so students receive full credit when they want to transfer
- Laws in 15 US states to have the same numbering system, another 15 states have done so through policy changes
- Next steps-having policies between state higher institutions and matriculation agreements between states



13- Greater financial accountability and transparency at all levels

- The State of Oregon has had a website that updates daily state spending, including the higher education system that allows students to find out what is being spent on salaries, administration, travel, instruction, construction, and athletics
 - Tuition fees for all universities (public & private), increased at an annual rate of 7.45% compared to health care rising at 5.8% and the consumer price index at 3.8% between 1978 and 2011. These large increases in fees are affecting campus access and diversity
- 



14- Continued cutbacks in state and federal aid to colleges and universities

- Resulted in higher tuition fees and more student debt because education subsidies to the universities are being severely cut
- In 2013, the reduction in tuition fee list prices minus grants and scholarships hit a high of 45%
- **Solution:** students from higher- and middle-income backgrounds are paying more and subsidies called “tuition set-asides” are available to lower-income students based on need

15- Higher value expectations

- The value of a higher education degree is being questioned-rising loan rates and if employment prospects are really better
- Since 2006, the gap between the earnings of high-school and college graduates has declined by \$1,387 for men over 25 working full-time (5% decrease). For women, it is + 7% (\$1496).
- For students 25-34, the difference in earnings between college and high-school graduate fell 11% (College Board)
- The cost of college has increased 16.5% (2012 \$'s) since 2006 (US Bureau of Labor Statistics)

16- Greater pressure to continually reduce costs at colleges and universities

- The falling demand for higher education will result in colleges having to constrain costs
- Often when universities and colleges face a crisis, they solve it by adding administrators
- At UNCG, from 2007-2008 to 2011-2012, total revenue increased 10% and total expenditure increased 12%, while executive and professional staff increased by 26.6% and faculty only 10.5%



17-Greater emphasis on reverse learning

- Khan Academy popularized the concept of the flipped classroom or turning the classroom upside down by listening to lectures at home and doing homework at school
- New norm in higher education: Learning by doing.

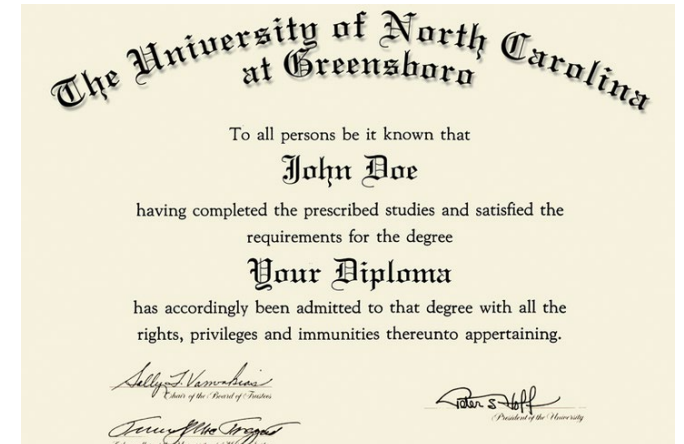


18-Greater focus on continual student assessment

- Colleges and universities will have to assess students to assure employers that they are actually prepared based on their academic training
- Purdue University hired Gallup® to create an index to survey alumni so they know detailed information (earnings, promotions)
- Use this index to attract students, employers, and donors- looking ahead at the projected drop in college and university student enrollment

19- Emphasis on non-degree education

- Includes certificates and continuing education
- Certificates encourage the integration of experiential and academic learning as well as learning across academic disciplines
- Continuing education has the same attraction as applied learning- focused and outcome-based
- Non-degree education in the United States is only at 3% of all education, it is 11% in Europe and 12% in Asia



20-Greater emphasis on experiences

- Students want experiences that translate into a multidisciplinary world and workplace-whether they start their own business, work for a start-up, or work for an established company
- Summer of 2013, 4 first-year students at Harvard Business School spent their summer on the road learning from and helping entrepreneurs. They created “MBAs across America” to enable them to travel and give free assistance to business owners
- Casey Gerald, one founder said:
“Business school is primarily focused on training future business leaders who will help create jobs, growth, and fiscal progress here and around the world. You can’t do any of that without understanding the role and life of entrepreneurs.”



21- Increased opportunities outside of academia

- PayPal Inc. Founder Peter Thiel started the 20 under 20 Thiel Fellowship. It's aimed at college-bound students and undergraduates to put off higher education for the present and learn by doing by forming companies with the purpose of changing the world. He urges them to return to college, but just start later
- So far, 64 Thiel Fellows have started 67 for-profit businesses, created 30 apps, 135 full-time jobs, published 2 books, all while bringing clean water and solar energy to 6,000 Kenyans



22- Increase in academic programs bringing business to the classroom

- Most programs try to bring experience from the business world to the classroom
- There will be a permanent upsurge in this
- Dean Garrey Carruthers, New Mexico State University, created a number of multidisciplinary programs and centers, including an ethics initiative and a center supported by all deans on campus that promotes economic development
- University of North Carolina at Greensboro has a multi-disciplinary entrepreneurship program office that supports 48 courses in 26 disciplines/programs across campus (<http://entrepreneurship.uncg.edu>)



23-Upsurge in bringing academics to the business world

- Bringing business to the classroom is only one side of the coin. It is often overlooked and seldom considered to bring academics to the business world
- One application of the flipped classroom concept applied to the business world: flip learning to a business setting outside of the traditional university classroom



Case of Tasty Catering (www.tastycatering.com)

- Thomas Walter, Chief Culture Officer and Co-founder of Tasty Catering , wrote a book about bringing academics to their business with Professors Dr. Kenneth R. Thompson and Dr. Ramon L. Benedetto , *It's My Company Too!*
- Integrated concepts from the classroom, including leadership, feedback, positive reinforcement, 100% employee decision making and input. Result-high levels of employee engagement into their family business.
- 2008 economic recession, companies cut back on events and feeding their customers and employees. Instead of having to lay off 5 workers, the hourly employees cut back on their hours to 25 each weekly which resulted in savings of 7 jobs, no lay offs, company weathered the recession and bought 2 competitors



Case of Tasty Catering (www.tastycatering.com)

- Employees start their own businesses, including a truck rental company that the company now uses instead of renting from other suppliers. Family members (4 siblings not related to the Walter brothers) now work at Tasty Catering and their family truck leasing business. Tasty Catering supported them getting started with loans.
- Loyalty means actions past words. Tasty Catering has 6 spin off companies started by staff. One secured a contract for baking 8.5 million cookies annually for a legacy airline. Important because during the slow months of January, February, and November, when most caterers lay people off, those employees find work with the sister company baking cookies. This is real entrepreneurship in action.
- Won awards at the local, regional, state, national, and international levels, including the American Psychological Association's 2014 Healthy Workplace Award for Small For-Profit Businesses and the 2013 American Psychological Association's Best Practice Award for Employee Enablement.

Conclusion

- The 23 major changes must be taken to the next level in higher education for the 21st Century and beyond for it to survive
- Entrepreneurial thinking by the universities, faculty, staff, and students, as well as the business community is integral to the success of our future workforce as well as the future of education
- To make these points a reality, a “flying leap” must be taken by all concerned. No one can hold back or the future of higher education will be at risk