



**Introductory remarks John Engler
Governance for a New Era
American Council of Trustees and Alumni
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Thank you very much, Tom [McMillen]. I'm delighted also to be here today and join this panel and to be with Benno. I certainly want to thank the American Council of Trustees and Alumni for the support they gave to this project, "Governance for a New Era." There's no question it a new era today.

I'm a former governor. I today work where I am privileged to speak for business and major employers, who hire the product of the university system as our future leaders. They're the men and women who are going to build America, and keep America strong, keep America competitive. So we've got a very vested interest in the success of higher education in America ... and increasingly, actually, the success of higher education around the world...

And I'm also, on a personal note, the father of three college sophomores. So, it's quite personal, and I feel the inflation that was mentioned in terms of the pricing of higher education. ...

It is a timely report, and the discussion that will follow – our comments – I look forward to very much.

There's no question that informed and well-prepared higher education trustees need to be more active in setting directions for their institutions, more attentive to oversight, and I think more willing to embrace accountability. The report gets into all of that in some detail.

There's one line in the report that I want to focus on, and it relates to my opening comments about many recent college graduates – and this is a quote from the report – "suffer from vast gaps in their skills and knowledge and are ill-equipped to compete in the fast-moving global economy."

That comes from feedback given by companies that hire these graduates.

The competitiveness reports from Michael Porter and Jan Rivkin out at Harvard Business School, they'll consistently rate U.S. universities as one of our great economic

strengths. That's true, certainly in part from the strengths from some of the top schools that Benno referred to, to some of the engineering and technology education that's available today in America. Certainly some of our business schools.

There's no question that strength is at risk. ... As Tom suggested, we've got to look ahead, we have to anticipate. We could easily lose this advantage that we're so proud of as a nation. And THAT is a very big concern of the CEOs of the Business Roundtable where I work.

The blueprint that we're releasing today offers some very important, significant guidance. Universities and colleges have got to focus on that idea, on that mission of educating students to become informed, involved citizens. And it can't just be a system that focuses on meeting enrollment targets. ...

A lot of governors get caught up in, "We've got to increase the number of college graduates." We need to graduate the students we enroll! We could double the graduation rate right there. What an easy opportunity that is for us, if we were able to do that.

But we've also got to be focusing on the provision of an education that prepares students to succeed in this global economy. And it is a more highly competitive, more integrated, more complex economy than we've ever known in our history and the history of the world.

Preparation can vary. I think that's very important to say this. Sometimes when business talks, people hear, "engineering and science." Course of study can be in liberal arts; there's going to be a very high demand for people who can think, analyze, write, work as part of a team. There's no question about that.

Now, our Roundtable member companies, we also represent as a group – we've got about 210 companies there – we do more than half, 50 percent, of the private-sector that's done in the country. Just our 200-plus companies. So naturally there is an interest in science, technology, engineering and mathematics and physics. We care deeply about those hard sciences as well.

The suggestion that we need more ... we do. We need more in terms of quantity; we need more in terms of quality. The release of the blueprint today, I think, really gets under way with the necessary dialogue in America.

The release of this blueprint today is designed to launch a necessary dialogue in America. We'll have a chance in a few moments to answer some questions, but here's one final point I'd like to make.

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